

House File 882 - Enrolled

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1 1 HOUSE FILE 882
1 2
1 3 AN ACT
1 4 RELATING TO STATE AND LOCAL FINANCES BY PROVIDING FOR TAX
1 5 EXEMPTIONS, CREDITS, TAX CREDIT TRANSFERS, AND OTHER
1 6 TAX-RELATED MATTERS AND BY MAKING, REDUCING, AND TRANSFERRING
1 7 APPROPRIATIONS, PROVIDING FOR FEES, PROVIDING FOR WIND ENERGY
1 8 PRODUCTION TAX CREDITS, AND PROVIDING FOR PROPERLY RELATED
1 9 MATTERS AND PENALTIES AND INCLUDING EFFECTIVE AND RETROACTIVE
1 10 APPLICABILITY DATE PROVISIONS.
1 11
1 12 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
1 13
1 14 DIVISION I
1 15 MH/MR/DD ALLOWED GROWTH FUNDING
1 16 Section 1. COUNTY MENTAL HEALTH, MENTAL RETARDATION, AND
1 17 DEVELOPMENTAL DISABILITIES ALLOWED GROWTH FACTOR ALLOCATIONS
1 18 == FISCAL YEAR 2006=2007.
1 19 1. There is appropriated from the general fund of the
1 20 state to the department of human services for the fiscal year
1 21 beginning July 1, 2006, and ending June 30, 2007, the
1 22 following amount, or so much thereof as is necessary, to be
1 23 used for the purpose designated:
1 24 For distribution to counties of the county mental health,
1 25 mental retardation, and developmental disabilities allowed
1 26 growth factor adjustment, as provided in this section in lieu
1 27 of the provisions of section 331.438, subsection 2, and
1 28 section 331.439, subsection 3, and chapter 426B:
1 29 \$ 35,788,041
1 30 2. The funding appropriated in this section is the allowed
1 31 growth factor adjustment for fiscal year 2006=2007, and is
1 32 allocated as follows:
1 33 a. For distribution to counties for fiscal year 2005=2006
1 34 in accordance with the formula in section 331.438, subsection
1 35 2, paragraph "b":
2 1 \$ 12,000,000
2 2 b. For deposit in the per capita expenditure target pool
2 3 created in the property tax relief fund and for distribution
2 4 in accordance with section 426B.5, subsection 1:
2 5 \$ 19,361,148
2 6 c. For deposit in the risk pool created in the property
2 7 tax relief fund and for distribution in accordance with
2 8 section 426B.5, subsection 2:
2 9 \$ 2,000,000
2 10 d. For distribution to counties as cost share for county
2 11 coverage of services to adult persons with brain injury in
2 12 accordance with the law enacted as a result of the provisions
2 13 of 2005 Iowa Acts, House File 876, or other law providing for
2 14 such coverage to commence in the fiscal year beginning July 1,
2 15 2006:
2 16 \$ 2,426,893
2 17 DIVISION II
2 18 STANDING APPROPRIATIONS
2 19 Sec. 2. BUDGET PROCESS FOR FISCAL YEAR 2006=2007.
2 20 1. For the budget process applicable to the fiscal year
2 21 beginning July 1, 2006, on or before October 1, 2005, in lieu
2 22 of the information specified in section 8.23, subsection 1,
2 23 unnumbered paragraph 1, and paragraph "a", all departments and
2 24 establishments of the government shall transmit to the
2 25 director of the department of management, on blanks to be
2 26 furnished by the director, estimates of their expenditure
2 27 requirements, including every proposed expenditure, for the
2 28 ensuing fiscal year, together with supporting data and
2 29 explanations as called for by the director of the department
2 30 of management after consultation with the legislative services
2 31 agency.
2 32 2. The estimates of expenditure requirements shall be in a
2 33 form specified by the director of the department of
2 34 management, and the expenditure requirements shall include all
2 35 proposed expenditures and shall be prioritized by program or
3 1 the results to be achieved. The estimates shall be
3 2 accompanied by performance measures for evaluating the
3 3 effectiveness of the programs or results.
3 4 Sec. 3. Notwithstanding the standing appropriations in the
3 5 following designated sections for the fiscal year beginning

3 6 July 1, 2005, and ending June 30, 2006, the amounts
3 7 appropriated from the general fund of the state pursuant to
3 8 those sections for the following designated purposes shall not
3 9 exceed the following amounts:

3 10 1. For instructional support state aid under section
3 11 257.20:
3 12 \$ 14,428,271
3 13 2. For at-risk children programs under section 279.51,
3 14 subsection 1:
3 15 \$ 11,271,000
3 16 The amount of any reduction in this subsection shall be
3 17 prorated among the programs specified in section 279.51,
3 18 subsection 1, paragraphs "a", "b", and "c".
3 19 3. For payment for nonpublic school transportation under
3 20 section 285.2:
3 21 \$ 8,273,763
3 22 If total approved claims for reimbursement for nonpublic
3 23 school pupil transportation claims exceed the amount
3 24 appropriated in this section, the department of education
3 25 shall prorate the amount of each claim.
3 26 4. For the educational excellence program under section
3 27 294A.25, subsection 1:
3 28 \$ 55,469,053
3 29 5. For the state's share of the cost of the peace
3 30 officers' retirement benefits under section 411.20:
3 31 \$ 2,745,784
3 32 6. For payment of livestock production tax credit refunds
3 33 under section 422.121:
3 34 \$ 1,770,342
3 35 Sec. 4. PROPERTY TAX CREDIT FUND == PAYMENTS IN LIEU OF
4 1 GENERAL FUND REIMBURSEMENT.

4 2 1. Notwithstanding section 8.57, prior to the
4 3 appropriation and distribution to the cash reserve fund of the
4 4 surplus existing in the general fund of the state at the
4 5 conclusion of the fiscal year beginning July 1, 2004, and
4 6 ending June 30, 2005, pursuant to section 8.57, subsection 1,
4 7 of that surplus, \$159,663,964 is appropriated to the property
4 8 tax credit fund which shall be created in the office of the
4 9 treasurer of state to be used for the purposes of this
4 10 section.

4 11 2. Notwithstanding the amount of the standing
4 12 appropriation from the general fund of the state in the
4 13 following designated sections and notwithstanding any
4 14 conflicting provisions or voting requirements of section 8.56,
4 15 there is appropriated from the property tax credit fund in
4 16 lieu of the appropriations in the following designated
4 17 sections for the fiscal year beginning July 1, 2005, and
4 18 ending June 30, 2006, the following amounts for the following
4 19 designated purposes:

4 20 a. For reimbursement for the homestead property tax credit
4 21 under section 425.1:
4 22 \$102,945,379
4 23 b. For reimbursement for the agricultural land and family
4 24 farm tax credits under sections 425A.1 and 426.1:
4 25 \$ 34,610,183
4 26 c. For reimbursement for the military service tax credit
4 27 under section 426A.1A:
4 28 \$ 2,568,402
4 29 d. For implementing the elderly and disabled tax credit
4 30 and reimbursement pursuant to sections 425.16 through 425.40:
4 31 \$ 19,540,000

4 32 If the director determines that the amount of claims for
4 33 credit for property taxes due plus the amount of claims for
4 34 reimbursement for rent constituting property taxes paid which
4 35 are to be paid during the fiscal year may exceed the amount
5 1 appropriated, the director shall estimate the percentage of
5 2 the credits and reimbursements which will be funded by the
5 3 appropriation. The county treasurer shall notify the director
5 4 of the amount of property tax credits claimed by June 8. The
5 5 director shall estimate the percentage of the property tax
5 6 credit and rent reimbursement claims that will be funded by
5 7 the appropriation and notify the county treasurer of the
5 8 percentage estimate by June 15. The estimated percentage
5 9 shall be used in computing for each claim the amount of
5 10 property tax credit and reimbursement for rent constituting
5 11 property taxes paid for that fiscal year. If the director
5 12 overestimates the percentage of funding, claims for
5 13 reimbursement for rent constituting property taxes paid shall
5 14 be paid until they can no longer be paid at the estimated
5 15 percentage of funding. Rent reimbursement claims filed after
5 16 that point in time shall receive priority and shall be paid in

5 17 the following fiscal year. If the director underestimates the
 5 18 percentage of funding, the overage shall remain in the fund
 5 19 established in section 425.39 for payments to be made in the
 5 20 next fiscal year.
 5 21 Sec. 5. Section 8.8, Code 2005, is amended to read as
 5 22 follows:
 5 23 8.8 SPECIAL OLYMPICS FUND == APPROPRIATION.
 5 24 A special olympics fund is created in the office of the
 5 25 treasurer of state under the control of the department of
 5 26 management. There is appropriated annually from the general
 5 27 fund of the state to the special olympics fund ~~thirty~~ fifty
 5 28 thousand dollars for distribution to one or more organizations
 5 29 which administer special olympics programs benefiting the
 5 30 citizens of Iowa with disabilities.
 5 31 Sec. 6. Section 257.35, subsection 4, Code 2005, is
 5 32 amended to read as follows:
 5 33 4. Notwithstanding subsection 1, and in addition to the
 5 34 reduction applicable pursuant to subsection 2, the state aid
 5 35 for area education agencies and the portion of the combined
 6 1 district cost calculated for these agencies for the fiscal
 6 2 year beginning July 1, ~~2004~~ 2005, shall be reduced by the
 6 3 department of management by eleven million seven hundred
 6 4 ninety-eight thousand seven hundred three dollars. The
 6 5 reduction for each area education agency shall be equal to the
 6 6 reduction that the agency received in the fiscal year
 6 7 beginning July 1, 2003.
 6 8 Sec. 7. CASH RESERVE APPROPRIATION FOR FY 2005=2006. For
 6 9 the fiscal year beginning July 1, 2005, and ending June 30,
 6 10 2006, the appropriation to the cash reserve fund provided in
 6 11 section 8.57, subsection 1, paragraph "a", shall not be made.
 6 12 However, any surplus in the general fund of the state for the
 6 13 fiscal year beginning July 1, 2005, and ending June 30, 2006,
 6 14 shall be transferred to the cash reserve fund.
 6 15 Sec. 8. EFFECTIVE DATE. The section of this division of
 6 16 this Act creating the property tax credit fund, being deemed
 6 17 of immediate importance, takes effect upon enactment.
 6 18 DIVISION III
 6 19 OTHER APPROPRIATIONS
 6 20 Sec. 9. DEPARTMENT OF CULTURAL AFFAIRS == NONPROFIT MUSIC
 6 21 ENTITIES. There is appropriated from the general fund of the
 6 22 state to the department of cultural affairs for the fiscal
 6 23 year beginning July 1, 2005, and ending June 30, 2006, twenty=
 6 24 five thousand dollars for purposes of providing two twelve
 6 25 thousand five hundred dollar grants to nonprofit music
 6 26 entities. A recipient of a grant shall be a nonprofit entity
 6 27 that is formed with members including local musicians, music
 6 28 promoters, representatives of music venues and businesses,
 6 29 community leaders, and live music enthusiasts who discuss,
 6 30 assess, and expedite the implementation of a unified music
 6 31 agenda for a local community and aggressively advocates,
 6 32 sponsors, and develops an independent, progressive live music
 6 33 economy in a local community.
 6 34 Sec. 10. PKU ASSISTANCE. There is appropriated from the
 6 35 general fund of the state to the Iowa department of public
 7 1 health for the fiscal year beginning July 1, 2005, and ending
 7 2 June 30, 2006, the following amount, or so much thereof as is
 7 3 necessary, to be used for the purpose designated:
 7 4 For providing grants to individual patients who have
 7 5 phenylketonuria (PKU) to assist with the costs of special food
 7 6 needed:
 7 7 \$ 100,000
 7 8 Sec. 11. HEALTHY IOWANS TOBACCO TRUST == PKU ASSISTANCE.
 7 9 There is appropriated from the healthy Iowans tobacco trust
 7 10 created in section 12.65 to the Iowa department of public
 7 11 health for the fiscal year beginning July 1, 2005, and ending
 7 12 June 30, 2006, the following amount, or so much thereof as is
 7 13 necessary, to be used for the purpose designated:
 7 14 For providing grants to individual patients who have
 7 15 phenylketonuria (PKU) to assist with the costs of special food
 7 16 needed:
 7 17 \$ 60,000
 7 18 Sec. 12. ENRICH IOWA LIBRARIES PROGRAM. There is
 7 19 appropriated from the rebuild Iowa infrastructure fund to the
 7 20 department of education for the fiscal year beginning July 1,
 7 21 2005, and ending June 30, 2006, the following amount, or so
 7 22 much thereof as is necessary:
 7 23 To provide resources for structural and technological
 7 24 improvements to local libraries and for the enrich Iowa
 7 25 program, notwithstanding section 8.57, subsection 6, paragraph
 7 26 "c":
 7 27 \$ 200,000

7 28 Sec. 13. DEPARTMENT OF EDUCATION == COMMUNITY COLLEGES.
 7 29 There is appropriated from the rebuild Iowa infrastructure
 7 30 fund to the department of education for the designated fiscal
 7 31 years, the following amounts, or so much thereof as is
 7 32 necessary, to be used for the purposes designated:
 7 33 For major renovation and major repair needs, including
 7 34 health, life, and fire safety needs, and for compliance with
 7 35 the federal Americans With Disabilities Act, for state
 8 1 buildings and facilities under the purview of the community
 8 2 colleges:
 8 3 FY 2006=2007..... \$ 2,000,000
 8 4 FY 2007=2008..... \$ 2,000,000
 8 5 FY 2008=2009..... \$ 2,000,000
 8 6 The moneys appropriated in this section shall be allocated
 8 7 to the community colleges based upon the distribution formula
 8 8 established in section 260C.18C, if enacted by 2005 Iowa Acts,
 8 9 House File 816.
 8 10 Notwithstanding section 8.33, moneys appropriated in this
 8 11 section shall not revert at the close of the fiscal year for
 8 12 which they were appropriated but shall remain available for
 8 13 the purposes designated until the close of the fiscal year
 8 14 that begins July 1, 2010, or until the project for which the
 8 15 appropriation was made is completed, whichever is earlier.
 8 16 Sec. 14. CIVIL AIR PATROL. There is appropriated from the
 8 17 general fund of the state to the homeland security and
 8 18 emergency management division of the department of public
 8 19 safety for the fiscal year beginning July 1, 2005, and ending
 8 20 June 30, 2006, the following amount, or so much thereof as is
 8 21 necessary, to be used for the purpose designated:
 8 22 For the Iowa civil air patrol:
 8 23 \$ 100,000
 8 24 Sec. 15. HEALTHY IOWANS TOBACCO TRUST == AIDS DRUG
 8 25 ASSISTANCE PROGRAM. There is appropriated from the healthy
 8 26 Iowans tobacco trust created in section 12.65 to the Iowa
 8 27 department of public health for the fiscal year beginning July
 8 28 1, 2005, and ending June 30, 2006, the following amount, or so
 8 29 much thereof as is necessary, to be used for the purpose
 8 30 designated:
 8 31 For additional funding to leverage federal funding through
 8 32 the federal Ryan White Care Act, Title II, AIDS drug
 8 33 assistance program supplemental drug treatment grants:
 8 34 \$ 275,000
 8 35 Sec. 16. GREAT PLACES. There is appropriated from the
 9 1 general fund of the state to the department of cultural
 9 2 affairs for the fiscal year beginning July 1, 2004, and ending
 9 3 June 30, 2005, the following amount, or so much thereof as is
 9 4 necessary, to be used for the purposes designated:
 9 5 For salaries, support, maintenance, and miscellaneous
 9 6 purposes:
 9 7 \$ 100,000
 9 8 Notwithstanding section 8.33, any moneys appropriated in
 9 9 this section that remain unencumbered or unobligated at the
 9 10 close of the fiscal year shall not revert but shall remain
 9 11 available for expenditure for the purposes designated until
 9 12 the close of the succeeding fiscal year.
 9 13 Sec. 17. UNDERGROUND STORAGE TANK FUND == WATERSHED
 9 14 IMPROVEMENT FUND == FY 2005=2006. Notwithstanding section
 9 15 455G.3, subsection 1, there is appropriated from the Iowa
 9 16 comprehensive petroleum underground storage tank fund created
 9 17 in section 455G.3, subsection 1, to the office of the
 9 18 treasurer of state during the fiscal year beginning July 1,
 9 19 2005, and ending June 30, 2006, the following amount, or so
 9 20 much thereof as is necessary, to be used for the purpose
 9 21 designated:
 9 22 For deposit in the watershed improvement fund created in
 9 23 2005 Iowa Acts, Senate File 200, if enacted:
 9 24 \$ 5,000,000
 9 25 Moneys in the watershed improvement fund are appropriated
 9 26 for the fiscal year beginning July 1, 2005, and ending June
 9 27 30, 2006, to fulfill the duties of the watershed improvement
 9 28 review board, if enacted by 2005 Iowa Acts, Senate File 200.
 9 29 Sec. 18. 2005 Iowa Acts, House File 809, section 2,
 9 30 subsection 1, paragraph a, if enacted, is amended to read as
 9 31 follows:
 9 32 a. General administration
 9 33 For salaries, support, maintenance, miscellaneous purposes,
 9 34 programs, for the transfer to the Iowa state commission grant
 9 35 program, and for not more than the following full-time
 10 1 equivalent positions:
 10 2 \$ ~~1,956,332~~
 10 3 1,841,332

10 4 FTEs 28.75
 10 5 Sec. 19. 2005 Iowa Acts, House File 862, section 1,
 10 6 subsection 2, paragraph h, unnumbered paragraph 1, and
 10 7 paragraph i, unnumbered paragraph 1, if enacted, are amended
 10 8 to read as follows:
 10 9 For a grant program to provide substance abuse prevention
 10 10 programming for children:
 10 11 \$ ~~400,000~~
 10 12 200,000
 10 13 For a grant to a program that utilizes high school mentors
 10 14 to teach life skills, violence prevention, and character
 10 15 education in an effort to reduce the illegal use of alcohol,
 10 16 tobacco, and other substances:
 10 17 \$ ~~400,000~~
 10 18 200,000
 10 19 Sec. 20. 2005 Iowa Acts, House File 862, section 1,
 10 20 subsection 2, paragraph j, if enacted, is amended to read as
 10 21 follows:
 10 22 j. For a grant program to provide substance abuse
 10 23 prevention programming, including tobacco use prevention
 10 24 programming, for children:
 10 25 \$ ~~800,000~~
 10 26 400,000
 10 27 The Iowa department of public health shall utilize a
 10 28 request for proposals process to implement this paragraph "j".
 10 29 A program approved for a grant under paragraph "h" or
 10 30 paragraph "i" shall not be eligible for a grant under this
 10 31 paragraph "j".
 10 32 Eligible grant applicants shall include, but shall not be
 10 33 limited to, mentoring organizations and organizations that
 10 34 practice and implement nationally accepted standards for
 10 35 mentoring programs.
 11 1 All grant recipients shall participate in a program
 11 2 evaluation as a requirement for receiving grant funds.
 11 3 Sec. 21. NATIONAL GOVERNORS ASSOCIATION MEETING. 2004
 11 4 Iowa Acts, chapter 1175, section 12, subsection 4, as amended
 11 5 by 2005 Iowa Acts, House File 810, if enacted, is amended to
 11 6 read as follows:
 11 7 4. NATIONAL GOVERNORS ASSOCIATION
 11 8 For payment of Iowa's membership in the national governors
 11 9 association:
 11 10 \$ ~~364,393~~
 11 11 164,393
 11 12 Of the funds appropriated in this subsection, ~~\$300,000~~
 11 13 \$100,000 is allocated for security-related costs and other
 11 14 expenses associated with the national governors association
 11 15 national meeting. Notwithstanding section 8.33, the moneys
 11 16 allocated for the meeting that remain unencumbered or
 11 17 unobligated at the close of the fiscal year shall not revert
 11 18 but shall remain available for expenditure for the purposes
 11 19 designated until the close of the succeeding fiscal year.
 11 20 Sec. 22. 2005 Iowa Acts, House File 881, section 5,
 11 21 unnumbered paragraph 1, if enacted, is amended to read as
 11 22 follows:
 11 23 There is appropriated from the general fund of the state to
 11 24 the salary adjustment fund for distribution by the department
 11 25 of management to the various state departments, boards,
 11 26 commissions, councils, and agencies, excluding the state board
 11 27 of regents, for the fiscal year beginning July 1, 2005, and
 11 28 ending June 30, 2006, the amount of ~~\$38,500,000~~ 40,900,000, or
 11 29 so much thereof as may be necessary, to fully fund annual pay
 11 30 adjustments, expense reimbursements, and related benefits
 11 31 implemented pursuant to the following:
 11 32 Sec. 23. 2001 Iowa Acts, chapter 174, section 1,
 11 33 subsection 2, as amended by 2002 Iowa Acts, chapter 1174,
 11 34 section 8, 2003 Iowa Acts, chapter 179, section 38, and 2004
 11 35 Iowa Acts, chapter 1175, section 270, is amended to read as
 12 1 follows:
 12 2 2. There is appropriated from the general fund of the
 12 3 state to the endowment for Iowa's health account of the
 12 4 tobacco settlement trust fund created in section 12E.12, for
 12 5 the designated fiscal years, the following amounts, to be used
 12 6 for the purposes specified in section 12E.12 for the endowment
 12 7 for Iowa's health account:
 12 8 FY 2001=2002 \$ 7,248,000
 12 9 FY 2003=2004 \$ 0
 12 10 FY 2004=2005 \$ 0
 12 11 FY 2005=2006 \$ ~~29,562,000~~
 12 12 0
 12 13 FY 2006=2007 \$ 17,773,000
 12 14 Sec. 24. Section 8.55, subsection 2, paragraphs b and d,

12 15 Code 2005, are amended by striking the paragraphs.
12 16 Sec. 25. Section 8.55, subsection 2, paragraph c, Code
12 17 2005, is amended to read as follows:
12 18 c. Notwithstanding paragraph "a", any moneys in excess of
12 19 the maximum balance in the economic emergency fund after the
12 20 distribution of the surplus in the general fund of the state
12 21 at the conclusion of each fiscal year ~~and after the~~
12 22 ~~appropriate amount has been transferred pursuant to paragraph~~
12 23 ~~"b", shall not be transferred to the general fund of the state~~
12 24 but shall be transferred to the senior living trust fund. The
12 25 total amount transferred, in the aggregate, under this
12 26 paragraph for all fiscal years shall not exceed one hundred
12 27 eighteen million dollars.
12 28 Sec. 26. Section 256D.5, subsection 4, Code 2005, is
12 29 amended to read as follows:
12 30 4. For each fiscal year of the fiscal year period
12 31 beginning July 1, 2004, and ending June 30, ~~2005~~ 2006, the sum
12 32 of twenty-nine million two hundred fifty thousand dollars.
12 33 Sec. 27. Section 490A.131, subsection 5, if enacted by
12 34 2005 Iowa Acts, House File 859, section 109, is amended to
12 35 read as follows:
13 1 5. The first biennial report shall be delivered to the
13 2 secretary of state between January 1 and April 1 of the first
13 3 ~~odd-numbered even-numbered~~ year following the calendar year in
13 4 which a limited liability company was formed or a foreign
13 5 limited liability company was authorized to transact business.
13 6 Subsequent biennial reports must be delivered to the secretary
13 7 of state between January 1 and April 1 of the following ~~odd-~~
13 8 ~~numbered even-numbered~~ calendar years. A filing fee for the
13 9 biennial report shall be determined by the secretary of state
13 10 and deposited into the general fund of the state. For
13 11 purposes of this section, each biennial report shall contain
13 12 information related to the two-year period immediately
13 13 preceding the calendar year in which the report is filed.
13 14 Sec. 28. Section 292.4, Code 2005, is repealed.
13 15 Sec. 29. EFFECTIVE AND RETROACTIVE APPLICABILITY DATES.
13 16 1. The section of this division of this Act repealing
13 17 section 292.4, being deemed of immediate importance, takes
13 18 effect upon enactment and applies retroactively to July 1,
13 19 2004.
13 20 2. The sections of this division of this Act appropriating
13 21 moneys to the department of cultural affairs for great places
13 22 and amending 2004 Iowa Acts, chapter 1175, section 12,
13 23 subsection 4, being deemed of immediate importance, take
13 24 effect upon enactment.
13 25 DIVISION IV
13 26 APPROPRIATION REVISIONS
13 27 Sec. 30. JOBS FOR AMERICA'S GRADUATES. There is
13 28 appropriated from the general fund of the state to the
13 29 department of education for the fiscal year beginning July 1,
13 30 2005, and ending June 30, 2006, the following amount, or so
13 31 much thereof as is necessary, to be used for the purpose
13 32 designated:
13 33 For school districts to provide direct services to the most
13 34 at-risk senior high school students enrolled in school
13 35 districts through direct intervention by a jobs for America's
14 1 graduates specialist:
14 2 \$ 400,000
14 3 Sec. 31. DEPARTMENT OF ADMINISTRATIVE SERVICES ==
14 4 FINANCIAL ADMINISTRATION. There is appropriated from the
14 5 general fund of the state to the department of administrative
14 6 services for the fiscal year beginning July 1, 2005, and
14 7 ending June 30, 2006, the following amount, or so much thereof
14 8 as is necessary, to be used for the purpose designated:
14 9 For financial administration duties:
14 10 \$ 200,000
14 11 Sec. 32. DEPARTMENT OF MANAGEMENT == PERFORMANCE AUDITS.
14 12 There is appropriated from the general fund of the state to
14 13 the department of management for the fiscal year beginning
14 14 July 1, 2005, and ending June 30, 2006, the following amount,
14 15 or so much thereof as is necessary, to be used for the
14 16 purposes designated:
14 17 For conducting performance audits and developing
14 18 performance measures, including salaries, support,
14 19 maintenance, miscellaneous purposes, and for not more than the
14 20 following full-time equivalent positions:
14 21 \$ 216,000
14 22 FTEs 2.50
14 23 Sec. 33. GOVERNOR'S OFFICE OF DRUG CONTROL POLICY. If
14 24 2005 Iowa Acts, House File 810, is enacted and provides for an
14 25 appropriation from the general fund of the state to the

14 26 governor's office of drug control policy for the fiscal year
 14 27 beginning July 1, 2005, and ending June 30, 2006, that
 14 28 appropriation is reduced by the following amount:
 14 29 \$ 13,195
 14 30 Sec. 34. DEPARTMENT OF INSPECTIONS AND APPEALS ==
 14 31 ADMINISTRATION DIVISION. If 2005 Iowa Acts, House File 810,
 14 32 is enacted and provides for an appropriation from the general
 14 33 fund of the state to the department of inspections and
 14 34 appeals, administration division, for the fiscal year
 14 35 beginning July 1, 2005, and ending June 30, 2006, that
 15 1 appropriation is reduced by the following amount:
 15 2 \$ 49,000
 15 3 Sec. 35. DEPARTMENT OF REVENUE == OPERATIONS. If 2005
 15 4 Iowa Acts, House File 810, is enacted and provides for an
 15 5 appropriation from the general fund of the state to the
 15 6 department of revenue for operations for the fiscal year
 15 7 beginning July 1, 2005, and ending June 30, 2006, that
 15 8 appropriation is reduced by the following amount:
 15 9 \$ 25,882
 15 10 Sec. 36. DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP ==
 15 11 SOIL AND WATER CONSERVATION DISTRICTS. If 2005 Iowa Acts,
 15 12 House File 808, is enacted and provides for an appropriation
 15 13 from the general fund of the state to the department of
 15 14 agriculture and land stewardship for purposes of reimbursing
 15 15 commissioners of soil and water conservation districts for
 15 16 expenses, for the fiscal year beginning July 1, 2005, and
 15 17 ending June 30, 2006, that appropriation is reduced by the
 15 18 following amount:
 15 19 \$ 50,000
 15 20 Sec. 37. COLLEGE STUDENT AID COMMISSION. If 2005 Iowa
 15 21 Acts, House File 816, is enacted and provides for an
 15 22 appropriation from the general fund of the state to the
 15 23 college student aid commission for the national guard
 15 24 educational assistance program for the fiscal year beginning
 15 25 July 1, 2005, and ending June 30, 2006, that appropriation is
 15 26 reduced by the following amount:
 15 27 \$ 75,000
 15 28 Sec. 38. DEPARTMENT OF MANAGEMENT. If 2005 Iowa Acts,
 15 29 House File 816 is enacted and provides for an appropriation
 15 30 from the general fund of the state to the department of
 15 31 management for allocation to the institute for tomorrow's
 15 32 workforce created under chapter 7K, if enacted by 2005 Iowa
 15 33 Acts, House File 816, for the fiscal year beginning July 1,
 15 34 2005, and ending June 30, 2006, that appropriation is reduced
 15 35 by the following amount:
 16 1 \$ 100,000
 16 2 Sec. 39. IOWA DEPARTMENT OF PUBLIC HEALTH. If 2005 Iowa
 16 3 Acts, House File 825, is enacted and provides for
 16 4 appropriations from the general fund of the state to the Iowa
 16 5 department of public health for the fiscal year beginning July
 16 6 1, 2005, and ending June 30, 2006, for the following indicated
 16 7 purposes in 2005 Iowa Acts, House File 825, those
 16 8 appropriations are reduced by the following amounts:
 16 9 1. For environmental hazards:
 16 10 \$ 50,000
 16 11 2. For injuries:
 16 12 \$ 50,000
 16 13 3. For public protection:
 16 14 \$ 40,000
 16 15 Sec. 40. MEDICAL ASSISTANCE APPROPRIATION. If 2005 Iowa
 16 16 Acts, House File 825, is enacted and provides for an
 16 17 appropriation from the general fund of the state to the
 16 18 department of human services for the fiscal year beginning
 16 19 July 1, 2005, and ending June 30, 2006, for the medical
 16 20 assistance program, that appropriation is reduced by the
 16 21 following amount:
 16 22 \$ 11,353,381
 16 23 Sec. 41. SENIOR LIVING TRUST FUND APPROPRIATION. If 2005
 16 24 Iowa Acts, House File 825, is enacted and provides for an
 16 25 appropriation from the senior living trust fund to the
 16 26 department of human services for the fiscal year beginning
 16 27 July 1, 2005, and ending June 30, 2006, to supplement the
 16 28 medical assistance appropriation, that appropriation is
 16 29 increased by the following amount:
 16 30 \$ 9,353,381
 16 31 Sec. 42. DEPARTMENT OF HUMAN SERVICES. If 2005 Iowa Acts,
 16 32 House File 825, is enacted and provides for appropriations
 16 33 from the general fund of the state to the department of human
 16 34 services for the fiscal year beginning July 1, 2005, and
 16 35 ending June 30, 2006, for the following indicated purposes,
 17 1 those appropriations are reduced by the following amounts:

17 2 1. For the children's health insurance program:
17 3 \$ 50,000
17 4 2. For MI/MR/DD state cases:
17 5 \$ 50,000
17 6 Sec. 43. DEPARTMENT OF JUSTICE == GENERAL OFFICE. If 2005
17 7 Iowa Acts, House File 811, is enacted and provides for an
17 8 appropriation from the general fund of the state to the
17 9 department of justice for the department's general office,
17 10 that appropriation is reduced by the following amount:
17 11 \$ 25,000
17 12 Sec. 44. DEPARTMENT OF CORRECTIONS. If 2005 Iowa Acts,
17 13 House File 811, is enacted and provides for an appropriation
17 14 from the general fund of the state to the department of
17 15 corrections for offender substance abuse and mental health
17 16 treatment for the fiscal year beginning July 1, 2005, and
17 17 ending June 30, 2006, that appropriation is reduced by the
17 18 following amount:
17 19 \$ 100,000
17 20 Sec. 45. DEPARTMENT OF PUBLIC SAFETY == BUILDING SECURITY.
17 21 If 2005 Iowa Acts, House File 875, is enacted and provides for
17 22 an appropriation from the general fund of the state to the
17 23 department of public safety for capitol building and judicial
17 24 building security for the fiscal year beginning July 1, 2005,
17 25 and ending June 30, 2006, that appropriation is reduced by the
17 26 following amount:
17 27 \$ 25,000
17 28 Sec. 46. JUDICIAL BRANCH. If 2005 Iowa Acts, House File
17 29 807, is enacted and provides for an appropriation from the
17 30 general fund of the state to the judicial branch for the
17 31 fiscal year beginning July 1, 2005, and ending June 30, 2006,
17 32 that appropriation is reduced by the following amount:
17 33 \$ 50,000
17 34 Sec. 47. REGISTERED NURSE RECRUITMENT PROGRAM FUNDS. From
17 35 the funds appropriated for tuition grants pursuant to section
18 1 261.25, subsection 1, for the fiscal year beginning July 1,
18 2 2005, up to fifty thousand dollars shall be used to provide
18 3 forgivable loans as provided in section 261.23 to residents of
18 4 Iowa who are registered nurses and who are seeking to become
18 5 qualified as nursing faculty in Iowa and to teach in Iowa
18 6 schools. To qualify for a forgivable loan pursuant to this
18 7 section, in addition to the requirements of section 261.23, a
18 8 person shall be enrolled at a not-for-profit accredited school
18 9 of nursing that is located in this state.
18 10 Sec. 48. HEALTH FACILITIES COUNCIL. If 2005 Iowa Acts,
18 11 House File 810, is enacted and includes an appropriation from
18 12 the general fund of the state to the department of inspections
18 13 and appeals for the health facilities council for the fiscal
18 14 year beginning July 1, 2005, and ending June 30, 2006, any
18 15 provision of that appropriation designating the use of \$80,000
18 16 and a full-time equivalent position for a particular purpose
18 17 shall not be applied.
18 18 Sec. 49. YOUTH ENRICHMENT PILOT PROJECT == YOUTH
18 19 LEADERSHIP PROGRAM.
18 20 1. Of the funds appropriated in 2005 Iowa Acts, House File
18 21 807, if enacted, from the general fund of the state to the
18 22 judicial branch for purposes of a youth enrichment pilot
18 23 project, for the fiscal year beginning July 1, 2005, and
18 24 ending June 30, 2006, \$50,000 is transferred to the department
18 25 of corrections to be used for a youth leadership program in
18 26 the sixth judicial district department of correctional
18 27 services in accordance with subsection 2.
18 28 2. The moneys transferred pursuant to subsection 1 shall
18 29 be used by the judicial district department of correctional
18 30 services to establish or maintain a youth leadership model
18 31 program to help at-risk youth in the judicial district
18 32 department of correctional services. As a part of the
18 33 program, the judicial district department of correctional
18 34 services may recruit college or high school students in the
18 35 judicial district to work with at-risk youth. The student
19 1 workers shall be recruited regardless of gender, be
19 2 recommended by their respective schools as good role models,
19 3 including, but not limited to, students who possess
19 4 capabilities in one or more of the following areas of ability:
19 5 intellectual capacity, athletic, visual arts, or performing
19 6 arts.
19 7 Sec. 50. CENTER FOR CONGENITAL AND INHERITED DISORDERS
19 8 CENTRAL REGISTRY. Notwithstanding section 144.13A, subsection
19 9 4, paragraph "a", for the fiscal year beginning July 1, 2005,
19 10 \$40,000 of the fees collected by the state registrar that
19 11 would otherwise be appropriated and used for the center for
19 12 congenital and inherited disorders central registry

19 13 established pursuant to section 136A.6 shall be credited to
19 14 the general fund of the state.

19 15 DIVISION V

19 16 MISCELLANEOUS STATUTORY CHANGES

19 17 Sec. 51. Section 8D.2, subsection 5, paragraph b, Code
19 18 2005, is amended to read as follows:

19 19 b. For the purposes of this chapter, "public agency" also
19 20 includes any homeland security or defense facility or disaster
19 21 response agency established by the administrator of the
19 22 homeland security and emergency management division of the
19 23 department of public defense or the governor or any facility
19 24 connected with a security or defense system or disaster
19 25 response as required by the administrator of the homeland
19 26 security and emergency management division of the department
19 27 of public defense or the governor.

19 28 Sec. 52. Section 8D.9, subsection 3, Code 2005, is amended
19 29 to read as follows:

19 30 3. A facility that is considered a public agency pursuant
19 31 to section 8D.2, subsection 5, paragraph "b", shall be
19 32 authorized to access the Iowa communications network strictly
19 33 for homeland security communication purposes and disaster
19 34 communication purposes. Any utilization of the network that
19 35 is not related to communications concerning homeland security
20 1 or a disaster, as defined in section 29C.2, is expressly
20 2 prohibited. Access under this subsection shall be available
20 3 only if a state of disaster emergency is proclaimed by the
20 4 governor pursuant to section 29C.6 or a homeland security or
20 5 disaster event occurs requiring connection of disparate
20 6 communications systems between public agencies to provide for
20 7 a multiagency or multijurisdictional response. Access shall
20 8 continue only for the period of time the homeland security or
20 9 disaster event exists. For purposes of this subsection,
20 10 disaster communication purposes includes training and
20 11 exercising for a disaster if public notice of the training and
20 12 exercising session is posted on the website of the homeland
20 13 security and emergency management division of the department
20 14 of public defense. A scheduled and noticed training and
20 15 exercising session shall not exceed five days. Interpretation
20 16 and application of the provisions of this subsection shall be
20 17 strictly construed.

20 18 Sec. 53. Section 15E.193B, subsection 5, Code 2005, is
20 19 amended by adding the following new paragraph:

20 20 NEW PARAGRAPH. f. If the eligible housing business is a
20 21 partnership, S corporation, or limited liability company using
20 22 low-income housing tax credits authorized under section 42 of
20 23 the Internal Revenue Code to assist in the financing of the
20 24 housing development, the name of any partner if the business
20 25 is a partnership, a shareholder if the business is an S
20 26 corporation, or a member if the business is a limited
20 27 liability company and the amount designated as allowed under
20 28 subsection 8.

20 29 Sec. 54. Section 15E.193B, subsection 6, paragraph a, Code
20 30 2005, is amended to read as follows:

20 31 a. An eligible housing business may claim a tax credit up
20 32 to a maximum of ten percent of the new investment which is
20 33 directly related to the building or rehabilitating of a
20 34 minimum of four single-family homes located in that part of a
20 35 city or county in which there is a designated enterprise zone
21 1 or one multiple dwelling unit building containing three or
21 2 more individual dwelling units located in that part of a city
21 3 or county in which there is a designated enterprise zone. The
21 4 new investment that may be used to compute the tax credit
21 5 shall not exceed the new investment used for the first one
21 6 hundred forty thousand dollars of value for each single-family
21 7 home or for each unit of a multiple dwelling unit building
21 8 containing three or more units. The tax credit may be used to
21 9 reduce the tax liability imposed under chapter 422, division
21 10 II, III, or V, or chapter 432. Any credit in excess of the
21 11 tax liability for the tax year may be credited to the tax
21 12 liability for the following seven years or until depleted,
21 13 whichever occurs earlier. If the business is a partnership, S
21 14 corporation, limited liability company, or estate or trust
21 15 electing to have the income taxed directly to the individual,
21 16 an individual may claim the tax credit allowed. The amount
21 17 claimed by the individual shall be based upon the pro rata
21 18 share of the individual's earnings of the partnership, S
21 19 corporation, limited liability company, or estate or trust
21 20 except as allowed for under subsection 8 when low-income
21 21 housing tax credits authorized under section 42 of the
21 22 Internal Revenue Code are used to assist in the financing of
21 23 the housing development.

21 24 Sec. 55. Section 15E.193B, subsection 8, unnumbered
21 25 paragraph 1, Code 2005, is amended to read as follows:
21 26 The amount of the tax credits determined pursuant to
21 27 subsection 6, paragraph "a", for each project shall be
21 28 approved by the department of economic development. The
21 29 department shall utilize the financial information required to
21 30 be provided under subsection 5, paragraph "e", to determine
21 31 the tax credits allowed for each project. In determining the
21 32 amount of tax credits to be allowed for a project, the
21 33 department shall not include the portion of the project cost
21 34 financed through federal, state, and local government tax
21 35 credits, grants, and forgivable loans. Upon approving the
22 1 amount of the tax credit, the department of economic
22 2 development shall issue a tax credit certificate to the
22 3 eligible housing business except when low-income housing tax
22 4 credits authorized under section 42 of the Internal Revenue
22 5 Code are used to assist in the financing of the housing
22 6 development in which case the tax credit certificate may be
22 7 issued to a partner if the business is a partnership, a
22 8 shareholder if the business is an S corporation, or a member
22 9 if the business is a limited liability company in the amounts
22 10 designated by the eligible partnership, S corporation, or
22 11 limited liability company. An eligible housing business or
22 12 the designated partner if the business is a partnership,
22 13 designated shareholder if the business is an S corporation, or
22 14 designated member if the business is a limited liability
22 15 company, or transferee shall not claim the tax credit unless a
22 16 tax credit certificate issued by the department of economic
22 17 development is attached to the taxpayer's return for the tax
22 18 year for which the tax credit is claimed. The tax credit
22 19 certificate shall contain the taxpayer's name, address, tax
22 20 identification number, the amount of the tax credit, and other
22 21 information required by the department of revenue. The tax
22 22 credit certificate shall be transferable if low-income housing
22 23 tax credits authorized under section 42 of the Internal
22 24 Revenue Code are used to assist in the financing of the
22 25 housing development. Tax credit certificates issued under
22 26 this chapter may be transferred to any person or entity.
22 27 Within ninety days of transfer, the transferee must submit the
22 28 transferred tax credit certificate to the department of
22 29 economic development along with a statement containing the
22 30 transferee's name, tax identification number, and address, and
22 31 the denomination that each replacement tax credit certificate
22 32 is to carry and any other information required by the
22 33 department of revenue. Within thirty days of receiving the
22 34 transferred tax credit certificate and the transferee's
22 35 statement, the department of economic development shall issue
23 1 one or more replacement tax credit certificates to the
23 2 transferee. Each replacement certificate must contain the
23 3 information required to receive the original certificate and
23 4 must have the same expiration date that appeared in the
23 5 transferred tax credit certificate. Tax credit certificate
23 6 amounts of less than the minimum amount established by rule of
23 7 the department of economic development shall not be
23 8 transferable. A tax credit shall not be claimed by a
23 9 transferee under subsection 6, paragraph "a", until a
23 10 replacement tax credit certificate identifying the transferee
23 11 as the proper holder has been issued.
23 12 Sec. 56. Section 124.212, subsection 4, paragraph c, as
23 13 enacted by 2005 Iowa Acts, Senate File 169, section 1, is
23 14 amended to read as follows:
23 15 c. Pseudoephedrine. A person shall present a government=
23 16 pseudoephedrine product from a pharmacy. A person shall not
23 17 purchase more than seven thousand five hundred milligrams of
23 18 pseudoephedrine, either separately or collectively, within a
23 19 thirty-day period from a pharmacy, unless the person has a
23 20 prescription for a pseudoephedrine product in excess of that
23 21 quantity.
23 22 Sec. 57. Section 142A.4, Code 2005, is amended by adding
23 23 the following new subsection:
23 24 NEW SUBSECTION. 23. Approve the content of any materials
23 25 distributed by the youth program pursuant to section 142A.9,
23 26 prior to distribution of the materials.
23 27 Sec. 58. Section 257.14, subsection 3, unnumbered
23 28 paragraph 2, Code 2005, is amended by striking the unnumbered
23 29 paragraph.
23 30 Sec. 59. Section 331.439, Code 2005, is amended by adding
23 31 the following new subsection:
23 32 NEW SUBSECTION. 9. The county management plan shall
23 33 designate at least one hospital licensed under chapter 135B
23 34

23 35 that the county has contracted with to provide services
24 1 covered under the plan. If the designated hospital does not
24 2 have a bed available to provide the services, the county is
24 3 responsible for the cost of covered services provided at an
24 4 alternate hospital licensed under chapter 135B.
24 5 Sec. 60. Section 364.17, subsection 3, paragraph a, Code
24 6 2005, is amended to read as follows:
24 7 a. A schedule of civil penalties or criminal fines for
24 8 violations. A city may charge the owner of housing a late
24 9 payment fee of twenty-five dollars and may add interest of up
24 10 to one and one-half percent per month if a penalty or fine
24 11 imposed under this paragraph is not paid within thirty days of
24 12 the date that the penalty or fine is due. The city shall send
24 13 a notice of the late payment fee to such owner by first class
24 14 mail to the owner's personal or business mailing address. The
24 15 late payment fee and the interest shall not accrue if such
24 16 owner files an appeal with either the city, if the city has
24 17 established an appeals procedure, or the district court. Any
24 18 unpaid penalty, fine, fee, or interest shall constitute a lien
24 19 on the real property and may be collected in the same manner
24 20 as a property tax. However, before a lien is filed, the city
24 21 shall send a notice of intent to file a lien to the owner of
24 22 the housing by first class mail to such owner's personal or
24 23 business mailing address.
24 24 Sec. 61. Section 364.17, subsection 5, Code 2005, is
24 25 amended to read as follows:
24 26 5. Cities may establish reasonable fees for inspection and
24 27 enforcement procedures. A city may charge the owner of
24 28 housing a late payment penalty of twenty-five dollars and may
24 29 add interest of up to one and one-half percent per month if a
24 30 fee imposed under this subsection is not paid within thirty
24 31 days of the date that the fee is due. The city shall send a
24 32 notice of the late payment penalty to such owner by first
24 33 class mail to the owner's personal or business mailing
24 34 address. The late payment penalty and the interest shall not
24 35 accrue if such owner files an appeal with either the city, if
25 1 the city has established an appeals procedure, or the district
25 2 court. Any unpaid fee, penalty, or interest shall constitute
25 3 a lien on the real property and may be collected in the same
25 4 manner as a property tax. However, before a lien is filed,
25 5 the city shall send a notice of intent to file a lien to the
25 6 owner of the housing by first class mail to such owner's
25 7 personal or business mailing address.
25 8 Sec. 62. Section 384.16, subsection 1, unnumbered
25 9 paragraph 2, Code 2005, is amended to read as follows:
25 10 A budget must show comparisons between the estimated
25 11 expenditures in each program in the following year ~~and the~~
25 12 ~~actual expenditures in each program during the two preceding~~
25 13 ~~years, the latest estimated expenditures in each program in~~
25 14 ~~the current year, and the actual expenditures in each program~~
25 15 ~~from the annual report as provided in section 384.22, or as~~
25 16 ~~corrected by a subsequent audit report.~~ Wherever practicable,
25 17 as provided in rules of the committee, a budget must show
25 18 comparisons between the levels of service provided by each
25 19 program as estimated for the following year, and actual levels
25 20 of service provided by each program during the two preceding
25 21 years.
25 22 Sec. 63. Section 384.16, Code 2005, is amended by adding
25 23 the following new subsection:
25 24 NEW SUBSECTION. 7. A city that does not submit a budget
25 25 in compliance with this section shall have all state funds
25 26 withheld until a budget that is in compliance with this
25 27 section is filed with the county auditor and subsequently
25 28 received by the department of management. The department of
25 29 management shall send notice to state agencies responsible for
25 30 disbursement of state funds and that notice is sufficient
25 31 authorization for those funds to be withheld until later
25 32 notice is given by the department of management to release
25 33 those funds.
25 34 Sec. 64. Section 422.11D, subsection 2, Code 2005, is
25 35 amended to read as follows:
26 1 2. An individual may claim a property rehabilitation tax
26 2 credit allowed a partnership, limited liability company, S
26 3 corporation, estate, or trust electing to have the income
26 4 taxed directly to the individual. The amount claimed by the
26 5 individual shall be based upon the pro rata share of the
26 6 individual's earnings of a partnership, limited liability
26 7 company, S corporation, estate, or trust except when low-
26 8 income housing tax credits authorized under section 42 of the
26 9 Internal Revenue Code are used to assist in the financing of
26 10 the housing development in which case the amount claimed by a

26 11 partner if the business is a partnership, a shareholder if the
26 12 business is an S corporation, or a member if the business is a
26 13 limited liability company shall be based on the amounts
26 14 designated by the eligible partnership, S corporation, or
26 15 limited liability company.

26 16 Sec. 65. Section 423.3, Code 2005, is amended by adding
26 17 the following new subsection:

26 18 NEW SUBSECTION. 29A. The sales price of all goods, wares,
26 19 or merchandise sold, or of services furnished, which are used
26 20 in the fulfillment of a written construction contract with a
26 21 residential treatment facility for youth with emotional or
26 22 behavioral disorders licensed pursuant to chapter 237 or 135H
26 23 if all of the following apply:

26 24 a. The sales and delivery of the goods, wares, or
26 25 merchandise, or the services furnished occurred between July
26 26 1, 2004, and December 31, 2006.

26 27 b. The written construction contract was entered into
26 28 after December 31, 2003.

26 29 c. The sales or services were purchased by a contractor as
26 30 the agent for the facility or were purchased directly by the
26 31 facility.

26 32 Sec. 66. Section 423E.5, unnumbered paragraph 1, Code
26 33 2005, is amended to read as follows:

26 34 The board of directors of a school district shall be
26 35 authorized to issue negotiable, interest-bearing school bonds,
27 1 without election, and utilize tax receipts derived from the
27 2 sales and services tax for school infrastructure purposes and
27 3 the supplemental school infrastructure amount distributed
27 4 pursuant to section 423E.4, subsection 2, paragraph "b", for
27 5 principal and interest repayment. Proceeds of the bonds
27 6 issued pursuant to this section shall be utilized solely for
27 7 school infrastructure needs as school infrastructure is
27 8 defined in section 423E.1, subsection 3. Bonds issued under
27 9 this section may be sold at public ~~or private~~ sale as provided
27 10 in chapter 75, or at private sale, without notice and hearing
27 11 as provided in section 73A.12. Bonds may bear dates, bear
27 12 interest at rates not exceeding that permitted by chapter 74A,
27 13 mature in one or more installments, be in registered form,
27 14 carry registration and conversion privileges, be payable as to
27 15 principal and interest at times and places, be subject to
27 16 terms of redemption prior to maturity with or without premium,
27 17 and be in one or more denominations, all as provided by the
27 18 resolution of the board of directors authorizing their
27 19 issuance. The resolution may also prescribe additional
27 20 provisions, terms, conditions, and covenants which the board
27 21 of directors deems advisable, including provisions for
27 22 creating and maintaining reserve funds, the issuance of
27 23 additional bonds ranking on a parity with such bonds and
27 24 additional bonds junior and subordinate to such bonds, and
27 25 that such bonds shall rank on a parity with or be junior and
27 26 subordinate to any bonds which may be then outstanding. Bonds
27 27 may be issued to refund outstanding and previously issued
27 28 bonds under this section. Local option sales and services tax
27 29 revenue bonds are a contract between the school district and
27 30 holders, and the resolution issuing the bonds and pledging
27 31 local option sales and services tax revenues to the payment of
27 32 principal and interest on the bonds is a part of the contract.
27 33 Bonds issued pursuant to this section shall not constitute
27 34 indebtedness within the meaning of any constitutional or
27 35 statutory debt limitation or restriction, and shall not be
28 1 subject to any other law relating to the authorization,
28 2 issuance, or sale of bonds.

28 3 Sec. 67. Section 427.1, subsection 21, Code 2005, is
28 4 amended to read as follows:

28 5 21. LOW-RENT HOUSING. The property owned and operated or
28 6 controlled by a nonprofit organization, as recognized by the
28 7 internal revenue service, providing low-rent housing for
28 8 persons who are elderly and persons with physical and mental
28 9 disabilities. The exemption granted under the provisions of
28 10 this subsection shall apply only until the ~~terms final payment~~
28 11 due date of the borrower's original low-rent housing
28 12 development mortgage or until the borrower's original low-rent
28 13 housing development mortgage is paid in full or expires,
28 14 whichever is sooner, subject to the provisions of subsection
28 15 14. However, if the borrower's original low-rent housing
28 16 development mortgage is refinanced, the exemption shall apply
28 17 only until the date that would have been the final payment due
28 18 date under the terms of the borrower's original low-rent
28 19 housing development mortgage or until the refinanced mortgage
28 20 is paid in full or expires, whichever is sooner, subject to
28 21 the provisions of subsection 14.

28 22 Sec. 68. Section 427.1, Code 2005, is amended by adding
28 23 the following new subsection:
28 24 NEW SUBSECTION. 21A. Dwelling unit property owned and
28 25 managed by a nonprofit organization if the nonprofit
28 26 organization owns and manages more than forty dwelling units
28 27 that are located in a city with a population of more than one
28 28 hundred ten thousand which has a public housing authority that
28 29 does not own or manage housing stock for the purpose of low=
28 30 rent housing.

28 31 Sec. 69. Section 427.1, subsection 30, Code 2005, is
28 32 amended to read as follows:

28 33 30. MANUFACTURED HOME COMMUNITY OR MOBILE HOME PARK STORM
28 34 SHELTER. A structure constructed as a storm shelter at a
28 35 manufactured home community or mobile home park as defined in
29 1 section 435.1. An application for this exemption shall be
29 2 filed with the assessing authority not later than February 1
29 3 of the first year for which the exemption is requested, on
29 4 forms provided by the department of revenue. The application
29 5 shall describe and locate the storm shelter to be exempted.
29 6 If the storm shelter structure is used exclusively as a storm
29 7 shelter, all of the structure's assessed value shall be exempt
29 8 from taxation. If the storm shelter structure is not used
29 9 exclusively as a storm shelter, the storm shelter structure
29 10 shall be assessed for taxation at ~~seventy-five~~ fifty percent
29 11 of its value as commercial property.

29 12 Sec. 70. Section 456A.37, subsection 1, paragraph c, Code
29 13 2005, is amended to read as follows:

29 14 c. "Aquatic invasive species" means a species that is not
29 15 native to an ecosystem and whose introduction causes or is
29 16 likely to cause economic or environmental harm or harm to
29 17 human health including but not limited to habitat alteration
29 18 and degradation, and loss of biodiversity. For the purposes
29 19 of this section, "aquatic invasive species" are limited to
29 20 Eurasian water milfoil, purple loosestrife, ~~and~~ zebra mussels,
29 21 ~~except as provided in subsection 4 and those species~~
29 22 ~~identified as "aquatic invasive species" by the commission by~~
29 23 ~~rule.~~

29 24 Sec. 71. Section 456A.37, subsection 4, unnumbered
29 25 paragraph 2, Code 2005, is amended to read as follows:

29 26 c. If the commission determines that an additional species
29 27 should be defined as an "aquatic invasive species", the
29 28 species ~~may~~ shall be defined by the commission by rule as an
29 29 "aquatic invasive species" ~~subject to enactment of the~~
29 30 ~~definition by the general assembly at the next regular session~~
29 31 ~~of the general assembly. Failure of the general assembly to~~
29 32 ~~enact the definition pursuant to this paragraph constitutes a~~
29 33 ~~nullification of the definition effective upon adjournment of~~
29 34 ~~that next regular session of the general assembly.~~

29 35 Sec. 72. Section 543B.34, subsection 9, paragraph a,
30 1 unnumbered paragraph 1, Code 2005, is amended to read as
30 2 follows:

30 3 Paying a commission or other valuable consideration or any
30 4 part of such commission or consideration for performing any of
30 5 the acts specified in this chapter to a person who is not a
30 6 licensed broker or salesperson under this chapter or who is
30 7 not engaged in the real estate business in another state or
30 8 foreign country, ~~or paying a commission or other valuable~~
30 9 ~~consideration for performing any of the acts specified in this~~
30 10 ~~chapter to a licensee knowing that the licensee will pay a~~
30 11 ~~portion of or all of such commission or consideration to a~~
30 12 ~~person or party who is not licensed pursuant to this chapter,~~
30 13 provided that the provisions of this section shall not be
30 14 construed to prohibit the payment of earned commissions or
30 15 consideration to any of the following:

30 16 Sec. 73. Section 543B.60A, Code 2005, is amended by
30 17 striking the section and inserting in lieu thereof the
30 18 following:

30 19 543B.60A PROHIBITED PRACTICES.

30 20 1. A licensee shall not request a referral fee after a
30 21 bona fide offer to purchase is accepted.

30 22 2. A licensee shall not request a referral fee after a
30 23 bona fide listing agreement has been signed.

30 24 3. A licensee shall not offer, promote, perform, provide,
30 25 or otherwise participate in any marketing plan that requires a
30 26 consumer to receive brokerage services, including referral
30 27 services, from two or more licensees in a single real estate
30 28 transaction, as a required condition for the consumer to
30 29 receive either of the following:

30 30 a. Brokerage services from one or more of such licensees.

30 31 b. A rebate, prize, or other inducement from one or more
30 32 such licensees.

30 33 4. For purposes of this section, "consumer" shall include
30 34 parties or prospective parties to a real estate transaction,
30 35 clients or prospective clients of a licensee, or customers or
31 1 prospective customers of a licensee.

31 2 5. This section does not address relationships between a
31 3 broker and the broker associates or salespersons licensed
31 4 under, employed by, or otherwise associated with the broker in
31 5 a real estate brokerage agency.

31 6 6. A violation of this section is deemed a violation of
31 7 section 543B.29, subsection 3.

31 8 7. The purpose of this section is to prohibit licensee
31 9 practices that interfere with contractual arrangements, place
31 10 improper restrictions on consumer choice, compromise a
31 11 licensee's fiduciary obligations, and create conflicts of
31 12 interest.

31 13 Sec. 74. Section 579A.2, subsection 3, paragraph b, Code
31 14 2005, is amended to read as follows:

31 15 b. The lien terminates one year after the cattle have left
31 16 the custom cattle feedlot. ~~Section 554.9515 shall not apply~~
31 17 ~~to a financing statement perfecting the lien.~~ The lien may be
31 18 terminated by the custom cattle feedlot operator who files a
31 19 termination statement as provided in chapter 554, article 9.

31 20 Sec. 75. Section 579B.4, subsection 1, paragraph b, Code
31 21 2005, is amended to read as follows:

31 22 b. For a lien arising out of producing a crop, the lien
31 23 becomes effective the day that the crop is first planted. In
31 24 order to perfect the lien, the contract producer must file a
31 25 financing statement in the office of the secretary of state as
31 26 provided in section 554.9308. The contract producer must file
31 27 a financing statement for the crop within forty-five days
31 28 after the crop is first planted. The lien terminates one year
31 29 after the crop is no longer under the authority of the
31 30 contract producer. For purposes of this section, a crop is no
31 31 longer under the authority of the contract producer when the
31 32 crop or a warehouse receipt issued by a warehouse operator
31 33 licensed under chapter 203C for grain from the crop is no
31 34 longer under the custody or control of the contract producer.

31 35 ~~Section 554.9515 shall not apply to a financing statement~~

32 1 ~~perfecting the lien.~~ The lien may be terminated by the
32 2 contract producer who files a termination statement as
32 3 provided in chapter 554, article 9.

32 4 Sec. 76. Section 602.10110, Code 2005, is amended to read
32 5 as follows:

32 6 602.10110 OATH.

32 7 All persons on being admitted to the bar shall take an oath
32 8 or affirmation, as promulgated by the supreme court, declaring
32 9 to support the Constitutions of the United States and of the
32 10 state of Iowa, and to faithfully discharge, according to the
32 11 best of their ability, the duties of an attorney and counselor
32 12 ~~of this state according to the best of their ability.~~

32 13 Sec. 77. Section 692A.4A, if enacted by 2005 Iowa Acts,
32 14 House File 619, is amended to read as follows:

32 15 692A.4A ELECTRONIC MONITORING.

32 16 A person required to register under this chapter who is
32 17 placed on probation, parole, work release, special sentence,
32 18 or any other type of conditional release, may be supervised by
32 19 an electronic tracking and monitoring system in addition to
32 20 any other conditions of supervision. However, if the person
32 21 committed a criminal offense against a minor, or an aggravated
32 22 offense, sexually violent offense, or other relevant offense
32 23 that involved a minor, the person shall be supervised for a
32 24 period of at least five years by an electronic tracking and
32 25 monitoring system in addition to any other conditions of
32 26 release.

32 27 Sec. 78. Section 692A.13A, subsection 1, unnumbered
32 28 paragraph 1, if enacted by 2005 Iowa Acts, House File 619, is
32 29 amended to read as follows:

32 30 The department of corrections, the department of human
32 31 services, and the department of public safety shall, in
32 32 consultation with one another, develop methods and procedures
32 33 for the assessment of the risk to reoffend for persons newly
32 34 required to register under this chapter on or after the
32 35 effective date of this division of this Act, who have
33 1 committed a criminal offense against a minor, or an aggravated
33 2 offense, sexually violent offense, or other relevant offense
33 3 that involved a minor. The department of corrections, in
33 4 consultation with the department of human services, the
33 5 department of public safety, and the attorney general, shall
33 6 adopt rules relating to assessment procedures. The assessment
33 7 procedures shall include procedures for the sharing of
33 8 information between the department of corrections, department

33 9 of human services, the juvenile court, and the division of
33 10 criminal investigation of the department of public safety, as
33 11 well as the communication of the results of the risk
33 12 assessment to criminal and juvenile justice agencies. The
33 13 assignment of responsibility for the assessment of risk shall
33 14 be as follows:

33 15 Sec. 79. Section 602.10112, Code 2005, is repealed.

33 16 Sec. 80. VEHICLE DEALERSHIP STUDY. The legislative
33 17 council is requested to appoint an interim study committee
33 18 that will study the motor vehicle licensing law as it pertains
33 19 to motor vehicle dealerships' moves from one facility and
33 20 location to another facility and location in the state. A
33 21 report should be provided to the general assembly by January
33 22 15, 2006.

33 23 Sec. 81. EFFECTIVE DATE. The section of this division of
33 24 this Act enacting section 423.3, subsection 29A, being deemed
33 25 of immediate importance, takes effect upon enactment.

33 26 Sec. 82. 2005 Iowa Acts, House File 739, if enacted, is
33 27 amended by adding the following new section:

33 28 NEW SECTION. Sec. _____. EFFECTIVE DATE. The section of
33 29 this Act amending section 262.9 to establish a research
33 30 triangle and clearinghouse takes effect July 1, 2006.

33 31 Sec. 83. BUDGET GUARANTEE RESOLUTION == RESOLUTION
33 32 ADOPTION EXTENSION. Notwithstanding the provisions of section
33 33 257.14, subsection 3, unnumbered paragraph 3, a school
33 34 district that wishes to receive a budget adjustment pursuant
33 35 to that subsection for the school budget year beginning July
34 1 1, 2005, shall have until June 1, 2005, to adopt a resolution
34 2 to receive the budget adjustment and to notify the department
34 3 of management of the adoption of the resolution and the amount
34 4 of the budget adjustment to be received.

34 5 Sec. 84. APPLICABILITY PROVISION. The sections of this
34 6 division of this Act amending section 427.1, subsection 21,
34 7 and enacting new subsection 21A to section 427.1 shall not be
34 8 considered property tax exemptions within the meaning of or
34 9 for the purposes of section 25B.7.

34 10 Sec. 85. RETROACTIVE APPLICABILITY DATE. The section of
34 11 this division of this Act amending section 423E.5, being
34 12 deemed of immediate importance, takes effect upon enactment
34 13 and applies retroactively to July 1, 2004.

34 14 Sec. 86. EFFECTIVE AND APPLICABILITY DATES. The sections
34 15 of this division of this Act amending section 427.1,
34 16 subsection 21, and enacting new subsection 21A to section
34 17 427.1, being deemed of immediate importance, take effect upon
34 18 enactment and apply retroactively to January 1, 2005, for
34 19 assessment years beginning on or after that date.

34 20 Sec. 87. APPLICABILITY. Section 25B.7 does not apply to
34 21 the amendment to section 427.1, subsection 30, in this
34 22 division of this Act.

34 23 Sec. 88. EFFECTIVE DATE. The section of this division of
34 24 this Act providing an extension of time for adoption of a
34 25 budget adjustment resolution pursuant to section 257.14,
34 26 subsection 3, for a budget adjustment for the school budget
34 27 year beginning July 1, 2005, being deemed of immediate
34 28 importance, takes effect upon enactment.

34 29 Sec. 89. EFFECTIVE DATE. The sections of this division of
34 30 this Act amending section 602.10110 and repealing section
34 31 602.10112, being deemed of immediate importance, take effect
34 32 upon enactment.

34 33 DIVISION VI 34 34 EDUCATION

34 35 Sec. 90. Section 11.6, subsection 1, paragraph a,
35 1 unnumbered paragraph 1, Code 2005, is amended to read as
35 2 follows:

35 3 The financial condition and transactions of all cities and
35 4 city offices, counties, county hospitals organized under
35 5 chapters 347 and 347A, memorial hospitals organized under
35 6 chapter 37, entities organized under chapter 28E having gross
35 7 receipts in excess of one hundred thousand dollars in a fiscal
35 8 year, merged areas, area education agencies, and all school
35 9 offices in school districts, shall be examined at least once
35 10 each year, except that cities having a population of seven
35 11 hundred or more but less than two thousand shall be examined
35 12 at least once every four years, and cities having a population
35 13 of less than seven hundred may be examined as otherwise
35 14 provided in this section. The examination shall cover the
35 15 fiscal year next preceding the year in which the audit is
35 16 conducted. The examination of school offices shall include an
35 17 audit of all school funds, the certified annual financial
35 18 report, ~~and~~ the certified enrollment as provided in section
35 19 257.6, and the revenues and expenditures of any nonprofit

35 20 school organization established pursuant to section 279.60.

35 21 Differences in certified enrollment shall be reported to the
35 22 department of management. The examination of a city that owns
35 23 or operates a municipal utility providing local exchange
35 24 services pursuant to chapter 476 shall include an audit of the
35 25 city's compliance with section 388.10. The examination of a
35 26 city that owns or operates a municipal utility providing
35 27 telecommunications services pursuant to section 388.10 shall
35 28 include an audit of the city's compliance with section 388.10.

35 29 Sec. 91. Section 256.9, Code 2005, is amended by adding
35 30 the following new subsection:

35 31 NEW SUBSECTION. 53. Prepare and submit to the
35 32 chairpersons and ranking members of the senate and house
35 33 education committees a report on the state's progress toward
35 34 closing the achievement gap, including student achievement for
35 35 minority subgroups, and a comprehensive summary of state
36 1 agency and local district activities and practices taken in
36 2 the past year to close the achievement gap.

36 3 Sec. 92. NEW SECTION. 279.60 NONPROFIT SCHOOL
36 4 ORGANIZATIONS.

36 5 The board of directors of a school district may take action
36 6 to adopt a resolution to establish, and authorize expenditures
36 7 for the operational support of, an entity or organization for
36 8 the sole benefit of the school district and its students that
36 9 is exempt from federal income taxation under section 501(c)(3)
36 10 of the Internal Revenue Code. The entity or organization
36 11 shall reimburse the school district for expenditures made by
36 12 the school district on behalf of the entity or organization.
36 13 Prior to establishing such an entity or organization, the
36 14 board of directors shall hold a public hearing on the proposal
36 15 to establish such an entity or organization. Such an entity
36 16 or organization shall maintain its records in accordance with
36 17 chapter 22, except that the entity or organization shall
36 18 provide for the anonymity of a donor at the written request of
36 19 the donor. The board of directors of a school district shall
36 20 annually report to the department of education and to the
36 21 local community the administrative expenditures, revenues, and
36 22 activities of the entity or organization established by the
36 23 school district pursuant to this section. The department
36 24 shall include in its annual condition of education report a
36 25 statewide summary of the expenditures and revenues submitted
36 26 in accordance with this section.

36 27 Sec. 93. Section 282.18, subsection 2, Code 2005, is
36 28 amended to read as follows:

36 29 2. By ~~January~~ March 1 of the preceding school year ~~for~~
36 30 ~~students entering grades one through twelve, or by September 1~~

~~36 31 of the current school year for students entering kindergarten,~~
36 32 the parent or guardian shall send notification to the district
36 33 of residence and the receiving district, on forms prescribed
36 34 by the department of education, that the parent or guardian
36 35 intends to enroll the parent's or guardian's child in a public
37 1 school in another school district. If a parent or guardian
37 2 fails to file a notification that the parent intends to enroll
37 3 the parent's or guardian's child in a public school in another
37 4 district by the deadline of ~~January 1 of the previous year~~
37 5 ~~specified in this subsection, and one of the criteria defined~~
37 6 ~~in procedures of subsection 4 exists for the failure to meet~~
37 7 ~~the deadline or if the request is to enroll a child in~~
37 8 ~~kindergarten in a public school in another district, the~~
37 9 ~~parent or guardian shall be permitted to enroll the child in~~
37 10 ~~the other district in the same manner as if the deadline had~~
37 11 ~~been met apply.~~

37 12 The board of the receiving district shall enroll the pupil
37 13 in a school in the receiving district for the following school
37 14 year unless the receiving district does not have classroom
37 15 space for the pupil. The board of directors of a receiving
37 16 district may adopt a policy granting the superintendent of the
37 17 school district authority to approve open enrollment
37 18 applications. If the request is granted, the board shall

37 19 transmit a copy of the form to the parent or guardian and the
37 20 school district of residence within five days after board
37 21 action, but not later than ~~March~~ June 1 of the preceding
37 22 school year. The parent or guardian may withdraw the request
37 23 at any time prior to the start of the school year. A denial
37 24 of a request by the board of a receiving district is not
37 25 subject to appeal.

37 26 Sec. 94. Section 282.18, subsection 4, paragraphs a and b,
37 27 Code 2005, are amended to read as follows:

37 28 a. After ~~January~~ March 1 of the preceding school year and
37 29 until the third Friday in September of that calendar year, the
37 30 parent or guardian shall send notification to the district of

37 31 residence and the receiving district, on forms prescribed by
37 32 the department of education, that good cause, as defined in
37 33 paragraph "b", exists for failure to meet the ~~January~~ March 1
37 34 deadline. The board of directors of a receiving school
37 35 district may adopt a policy granting the superintendent of the
38 1 school district authority to approve open enrollment
38 2 applications submitted after the March 1 deadline. The board
38 3 of the receiving district shall take action to approve the
38 4 request if good cause exists. If the request is granted, the
38 5 board shall transmit a copy of the form to the parent or
38 6 guardian and the school district of residence within five days
38 7 after board action. A denial of a request by the board of a
38 8 receiving district is not subject to appeal.
38 9 b. For purposes of this section, "good cause" means a
38 10 change in a child's residence due to a change in family
38 11 residence, a change in the state in which the family residence
38 12 is located, a change in a child's parents' marital status, a
38 13 guardianship or custody proceeding, placement in foster care,
38 14 adoption, participation in a foreign exchange program, or
38 15 participation in a substance abuse or mental health treatment
38 16 program, or a similar set of circumstances consistent with the
38 17 definition of "good cause"; or a change in the status of a
38 18 child's resident district such as removal of accreditation by
38 19 the state board, surrender of accreditation, or permanent
38 20 closure of a nonpublic school, revocation of a charter school
38 21 contract as provided in section 256F.8, the failure of
38 22 negotiations for a whole-grade sharing, reorganization,
38 23 dissolution agreement or the rejection of a current whole-
38 24 grade sharing agreement, or reorganization plan, or a similar
38 25 set of circumstances consistent with the definition of "good
38 26 cause". If the good cause relates to a change in status of a
38 27 child's school district of residence, however, action by a
38 28 parent or guardian must be taken to file the notification
38 29 within forty-five days of the last board action or within
38 30 thirty days of the certification of the election, whichever is
38 31 applicable to the circumstances.
38 32 Sec. 95. Section 282.18, subsections 5 and 6, Code 2005,
38 33 are amended to read as follows:
38 34 5. Open enrollment applications filed after ~~January~~ March
38 35 1 of the preceding school year that do not qualify for good
39 1 cause as provided in subsection 4 shall be subject to the
39 2 approval of the board of the resident district and the board
39 3 of the receiving district. The parent or guardian shall send
39 4 notification to the district of residence and the receiving
39 5 district that the parent or guardian seeks to enroll the
39 6 parent's or guardian's child in the receiving district. A
39 7 decision of either board to deny an application filed under
39 8 this subsection involving repeated acts of harassment of the
39 9 student or serious health condition of the student that the
39 10 resident district cannot adequately address is subject to
39 11 appeal under section 290.1. The state board shall exercise
39 12 broad discretion to achieve just and equitable results that
39 13 are in the best interest of the affected child or children.
39 14 6. A request under this section is for a period of not
39 15 less than one year. If the request is for more than one year
39 16 and the parent or guardian desires to have the pupil enroll in
39 17 a different district, the parent or guardian may petition the
39 18 current receiving district by ~~January~~ March 1 of the previous
39 19 school year for permission to enroll the pupil in a different
39 20 district for a period of not less than one year. Upon receipt
39 21 of such a request, the current receiving district board may
39 22 act on the request to transfer to the other school district at
39 23 the next regularly scheduled board meeting after the receipt
39 24 of the request. The new receiving district shall enroll the
39 25 pupil in a school in the district unless there is insufficient
39 26 classroom space in the district or unless enrollment of the
39 27 pupil would adversely affect the court-ordered or voluntary
39 28 desegregation plan of the district. A denial of a request to
39 29 change district enrollment within the approved period is not
39 30 subject to appeal. However, a pupil who has been in
39 31 attendance in another district under this section may return
39 32 to the district of residence and enroll at any time, once the
39 33 parent or guardian has notified the district of residence and
39 34 the receiving district in writing of the decision to enroll
39 35 the pupil in the district of residence.
40 1 Sec. 96. Section 423E.4, subsection 6, unnumbered
40 2 paragraph 1, Code 2005, is amended to read as follows:
40 3 A school district with a certified enrollment of fewer than
40 4 two hundred fifty pupils in the entire district or certified
40 5 enrollment of fewer than one hundred pupils in high school
40 6 shall not expend the supplemental school infrastructure amount

40 7 received for new construction or for payments for bonds issued
40 8 for new construction against the supplemental school
40 9 infrastructure amount without prior application to the
40 10 department of education and receipt of a certificate of need
40 11 pursuant to this subsection. However, a certificate of need
40 12 is not required for the payment of outstanding bonds issued
40 13 for new construction pursuant to section 296.1, before April
40 14 1, 2003. A certificate of need is also not required for
40 15 repairing schoolhouses or buildings, equipment, technology, or
40 16 transportation equipment for transporting students as provided
40 17 in section 298.3, or for construction necessary for compliance
40 18 with the federal Americans With Disabilities Act pursuant to
40 19 42 U.S.C. } 12101==12117. In determining whether a
40 20 certificate of need shall be issued or denied, the department
40 21 shall consider all of the following:

40 22 Sec. 97. RETROACTIVE APPLICABILITY FOR NONPROFIT SCHOOL
40 23 ORGANIZATIONS. The provisions of section 279.60, as enacted
40 24 by this division of this Act, authorizing the board of
40 25 directors of a school district to establish and authorize
40 26 expenditures for the operational support of an entity or
40 27 organization for the sole benefit of the school district and
40 28 its students, apply to entities or organizations established
40 29 by the board of directors of a school district before, on, or
40 30 after July 1, 2005.

40 31 DIVISION VII

40 32 LAND RECORD INFORMATION SYSTEM

40 33 Sec. 98. NEW SECTION. 12B.6 CERTAIN PUBLIC FUNDS OF
40 34 POLITICAL SUBDIVISIONS.

40 35 All funds received, expended, or held by an association of
41 1 elected county officers before, on, or after the effective
41 2 date of this Act, to implement a state=authorized program, are
41 3 subject to audit by the auditor of state at the request of the
41 4 government oversight committees or the legislative council.
41 5 All such funds received or held on and after July 1, 2005,
41 6 shall be deposited in a fund in the office of the treasurer of
41 7 state.

41 8 Sec. 99. Section 331.605C, subsection 4, Code 2005, is
41 9 amended to read as follows:

41 10 4. The local government electronic transaction fund is
41 11 established in the office of the treasurer of state under the
41 12 control of the treasurer of state. Moneys deposited into the
41 13 fund are not subject to section 8.33. Notwithstanding section
41 14 12C.7, interest or earnings on moneys in the local government
41 15 electronic transaction fund shall be credited to the fund.
41 16 Moneys in the local government electronic transaction fund are
41 17 not subject to transfer, appropriation, or reversion to any
41 18 other fund, or any other use except as provided in this
41 19 subsection. On a monthly basis, the county treasurer shall
41 20 pay each fee collected pursuant to subsection 2 to the
41 21 treasurer of state for deposit into the local government
41 22 electronic transaction fund. Moneys credited to the local
41 23 government electronic transaction fund are appropriated to the
41 24 treasurer of state to be used for the purpose of paying the
41 25 ongoing costs of integrating and maintaining the statewide
41 26 internet website developed and implemented under subsection 1.

41 27 Sec. 100. COUNTY REAL ESTATE ELECTRONIC GOVERNMENT
41 28 ADVISORY COMMITTEE.

41 29 1. A county real estate electronic government advisory
41 30 committee is created. Staffing services for the advisory
41 31 committee shall be provided by the auditor of state. The
41 32 advisory committee membership shall consist of the following:

41 33 a. Two members selected by the Iowa state association of
41 34 county auditors.

41 35 b. Two members selected by the Iowa state county
42 1 treasurers association.

42 2 c. Two members selected by the Iowa county recorders
42 3 association.

42 4 d. Two members selected by the Iowa state association of
42 5 assessors.

42 6 e. One member selected by each of the following
42 7 organizations:

42 8 (1) Iowa state association of counties.

42 9 (2) Iowa land title association.

42 10 (3) Iowa bankers association.

42 11 (4) Iowa credit union league.

42 12 (5) Iowa state bar association.

42 13 (6) Iowa association of realtors.

42 14 2. The county real estate electronic government advisory
42 15 committee shall facilitate discussion to integrate the county
42 16 land record information system created pursuant to section
42 17 331.605C with the electronic government internet applications

42 18 of county treasurers, county recorders, county auditors, and
42 19 county assessors. The advisory committee shall file an
42 20 integration plan with the governor and the general assembly on
42 21 or before November 1, 2005.

42 22 Sec. 101. COUNTY LAND RECORD INFORMATION SYSTEM ==
42 23 ADDITIONAL PROVISIONS.

42 24 1. The board of supervisors of each county, on behalf of
42 25 each county recorder, shall execute a chapter 28E agreement
42 26 with the Iowa county recorders association for the
42 27 implementation of the county land record information system.
42 28 Such agreement shall require the Iowa county recorders
42 29 association to execute contracts necessary for implementation
42 30 of the county land record information system. The Iowa county
42 31 recorders association shall submit to the general assembly on
42 32 or before November 1, 2005, a long-range business plan for
42 33 implementing and maintaining the county land record
42 34 information system, including a plan for integrating the
42 35 system with electronic government and internet applications of
43 1 other governmental entities.

43 2 2. The auditor of state shall conduct an audit of the fees
43 3 collected pursuant to section 331.605C for the purpose of
43 4 determining the amount of fees collected and the uses for
43 5 which such fees have been and are being expended. Audit
43 6 results shall be filed with the general assembly on or before
43 7 November 1, 2005. The cost of the audit, not to exceed five
43 8 thousand dollars, shall be paid from the local government
43 9 electronic transaction fund in the office of the treasurer of
43 10 state.

43 11 3. County recorders shall collect only statutorily
43 12 authorized fees for land records management. County recorders
43 13 shall not collect fees for viewing, accessing, or printing
43 14 documents in the county land record information system until
43 15 authorized by the general assembly. However, county recorders
43 16 may collect actual third-party fees associated with accepting
43 17 and processing statutorily authorized fees including credit
43 18 card fees, treasury management fees, and other transaction
43 19 fees required to enable electronic payment. For the purposes
43 20 of this subsection, the term "third-party" does not include
43 21 the county land record information system, the Iowa state
43 22 association of counties, or any of the association's
43 23 affiliates.

43 24 4. The Iowa state association of counties shall provide
43 25 information to the government oversight committees on or
43 26 before July 1, 2005, defining all types of land management
43 27 records, identifying each county or state office that holds
43 28 such records, and specifying the fees associated with each of
43 29 the different types of records.

43 30 5. The fees collected, including those previously
43 31 collected and deposited locally, pursuant to section 331.605C,
43 32 shall be transferred to the treasurer of state for deposit
43 33 into the local government electronic transaction fund.

43 34 Sec. 102. DATA SECURITY AUDIT.

43 35 1. The Iowa county recorders association shall select a
44 1 vendor to conduct a data security audit of the county land
44 2 record information system created pursuant to section
44 3 331.605C. The review and assessment utilized in the audit
44 4 shall include, but are not limited to, a review of the
44 5 functional and system requirements, design documentation,
44 6 software code developed to support the business requirements,
44 7 operational procedures, financial flows including a financial
44 8 forecast, requests for proposals, and all contracts.

44 9 2. The costs of the data security audit conducted pursuant
44 10 to subsection 1 shall be paid from moneys appropriated to the
44 11 treasurer of state pursuant to section 331.605C.

44 12 3. The Iowa county recorders association shall forward the
44 13 complete results of the data security audit to the government
44 14 oversight committees of the senate and the house of
44 15 representatives and the general assembly on or before December
44 16 1, 2005, and the government oversight committees may request
44 17 additional updates.

44 18 Sec. 103. EFFECTIVE DATE. This division of this Act,
44 19 being deemed of immediate importance, takes effect upon
44 20 enactment.

44 21 DIVISION VIII
44 22 CORRECTIVE PROVISIONS

44 23 Sec. 104. Section 8A.502, subsection 5, paragraph c, Code
44 24 2005, is amended to read as follows:

44 25 c. The Iowa dairy industry commission as established in
44 26 chapter 179, the Iowa beef cattle producers association as
44 27 established in chapter 181, the Iowa pork producers council as
44 28 established in chapter 183A, the Iowa egg council as

44 29 established in chapter 184, the Iowa turkey marketing council
44 30 as established in chapter 184A, the Iowa soybean ~~promotion~~
~~44 31 board association~~ as ~~established~~ provided in chapter 185, and
44 32 the Iowa corn promotion board as established in chapter 185C.
44 33 Sec. 105. Section 8A.502, subsection 10, Code 2005, is
44 34 amended to read as follows:
44 35 10. Entities representing agricultural producers. To
45 1 control the financial operations of the Iowa dairy industry
45 2 commission as provided in chapter 179, the Iowa beef cattle
45 3 producers association as provided in chapter 181, the Iowa
45 4 pork producers council as provided in chapter 183A, the Iowa
45 5 egg council as provided in chapter 184, the Iowa turkey
45 6 marketing council as provided in chapter 184A, the Iowa
45 7 soybean ~~promotion board association~~ as provided in chapter
45 8 185, and the Iowa corn promotion board as provided in chapter
45 9 185C.
45 10 Sec. 106. Section 10A.104, subsections 12 and 13, Code
45 11 2005, are amended by striking the subsections.
45 12 Sec. 107. Section 12D.9, subsection 2, Code 2005, is
45 13 amended to read as follows:
45 14 2. State income tax treatment of the Iowa educational
45 15 savings plan trust shall be as provided in section 422.7,
45 16 subsections 32, ~~and 33, and 34, and section 422.35, subsection~~
~~45 17 14.~~
45 18 Sec. 108. Section 15.104, subsection 4, unnumbered
45 19 paragraph 1, Code 2005, as amended by 2005 Iowa Acts, Senate
45 20 File 205, section 5, is amended to read as follows:
45 21 Review and approve or disapprove a life science enterprise
45 22 plan or amendments to that plan as provided in chapter 10C ~~as~~
~~45 23 that chapter exists on or before June 30, 2005,~~ and according
45 24 to rules adopted by the board. A life science plan shall make
45 25 a reasonable effort to provide for participation by persons
45 26 who are individuals or family farm entities actively engaged
45 27 in farming as defined in section 10.1. The persons may
45 28 participate in the life science enterprise by holding an
45 29 equity position in the life science enterprise or providing
45 30 goods or service to the enterprise under contract. The plan
45 31 must be filed with the board not later than June 30, 2005.
45 32 The life science enterprise may file an amendment to a plan at
45 33 any time. A life science enterprise is not eligible to file a
45 34 plan, unless the life science enterprise files a notice with
45 35 the board. The notice shall be a simple statement indicating
46 1 that the life science enterprise may file a plan as provided
46 2 in this section. The notice must be filed with the board not
46 3 later than June 1, 2005. The notice, plan, or amendments
46 4 shall be submitted by a life science enterprise as provided by
46 5 the board. The board shall consult with the department of
46 6 agriculture and land stewardship during its review of a life
46 7 science plan or amendments to that plan. The plan shall
46 8 include information regarding the life science enterprise as
46 9 required by rules adopted by the board, including but not
46 10 limited to all of the following:
46 11 Sec. 109. Section 28.3, subsection 6, paragraph b, Code
46 12 2005, as amended by 2005 Iowa Acts, House File 761, section 5,
46 13 if enacted, is amended to read as follows:
46 14 b. In addition, a community empowerment office is
46 15 established as a division of the department of management to
46 16 provide a center for facilitation, communication, and
46 17 coordination for community empowerment activities and funding
46 18 and for improvement of the early care, education, health, and
46 19 human services systems. Staffing for the community
46 20 empowerment office shall be provided by a facilitator or
46 21 coordinator appointed by the governor, subject to confirmation
46 22 by the senate, and who serves at the pleasure of the governor.
46 23 A deputy and support staff may be designated, subject to
46 24 appropriation made for this purpose. The facilitator or
46 25 coordinator shall submit reports to the governor, the Iowa
46 26 board, and the general assembly. The facilitator ~~or~~
~~46 27 coordinator~~ shall provide primary staffing to the board,
46 28 coordinate state technical assistance activities and
46 29 implementation of the technical assistance system, and other
46 30 communication and coordination functions to move authority and
46 31 decision-making responsibility from the state to communities
46 32 and individuals.
46 33 Sec. 110. Section 28.4, subsection 14, if enacted by 2005
46 34 Iowa Acts, House File 761, section 9, is amended to read as
46 35 follows:
47 1 14. With the assistance of the state departments
47 2 represented on the Iowa empowerment board and the community
47 3 empowerment office, develop and implement requirements for
47 4 community empowerment areas and the state administrators of

47 5 programs providing early care or early care services to
47 6 annually report to the public and the early care ~~coordinator~~
47 7 staff designated pursuant to section 28.3 regarding the
47 8 results produced by the community empowerment initiative and
47 9 by the programs. Source data shall also be made available to
47 10 the early care ~~coordinator~~.

47 11 Sec. 111. Section 97.51, subsections 4 and 6, Code 2005,
47 12 are amended to read as follows:

47 13 4. Any public employee subject to coverage under the
47 14 provisions of chapter 97, Code 1950, as amended, in public
47 15 service as of June 30, 1953, and who has not applied for and
47 16 qualified for benefit payments under the provisions of chapter
47 17 97, Code 1950, as amended, who had contributed to the Iowa
47 18 old-age and survivors' insurance fund prior to the repeal of
47 19 ~~said~~ chapter 97, Code 1950, as amended, shall be entitled to a
47 20 refund of contributions paid into the Iowa old-age and
47 21 survivors' insurance fund by such employee without interest,
47 22 but there shall be deducted from the amount of any such refund
47 23 any amount which has been or will be paid in the employee's
47 24 behalf as the employee's contribution as an employee to obtain
47 25 retroactive federal social security coverage. Any former
47 26 public employee not in public service as of June 30, 1953, who
47 27 has contributed to the Iowa old-age and survivors' insurance
47 28 fund, the employee's beneficiaries or estate, when no benefit
47 29 has been paid under chapter 97, Code 1950, based upon such
47 30 employee's prior record, shall be entitled to a refund of
47 31 seventy-five percent of all contributions paid by the employee
47 32 into said fund, without interest. The department shall
47 33 prescribe rules in regard to the granting of such refunds. In
47 34 the event of such refund any individual receiving the same
47 35 shall be deemed to have waived any and all rights in behalf of
48 1 the individual or any beneficiary or the individual's estate
48 2 to further benefits under the provisions of chapter 97, Code
48 3 1950, as amended.

48 4 6. In the payment of any benefits in the future, as a
48 5 result of the provisions of chapter 97, Code 1950, as amended,
48 6 the department shall follow the same procedure as provided by
48 7 ~~said~~ chapter 97, Code 1950, as amended, as though said chapter
48 8 had not been repealed, except the requirements of ~~section~~
~~48 9 97.21~~, subsection 4, paragraph "a", and subsection 5 of
~~48 10 section 97.21~~, ~~subsection 5~~ Code 1950, shall not be
48 11 applicable, but no primary benefit, based upon employment
48 12 prior to June 30, 1953, shall be paid to any individual for
48 13 any month during which the individual receives compensation
48 14 for work in any position which would have been subject to
48 15 coverage under the provisions of ~~said~~ chapter 97, Code 1950,
48 16 as amended, if the individual's earnings for such month exceed
48 17 one hundred dollars, nor shall any benefit be paid to a wife
48 18 or dependent of such employee for such months, except that
48 19 after a retired member reaches the age of seventy-two years,
48 20 the member, the member's wife and dependents shall be entitled
48 21 to the benefits of this chapter regardless of the amount
48 22 earned.

48 23 Sec. 112. Section 97B.1A, subsection 8, paragraph b,
48 24 subparagraph (5), Code 2005, is amended to read as follows:

48 25 (5) Employees of the Iowa dairy industry commission
48 26 established under chapter 179, the Iowa beef cattle producers
48 27 association established under chapter 181, the Iowa pork
48 28 producers council established under chapter 183A, the Iowa
48 29 turkey marketing council established under chapter 184A, the
48 30 Iowa soybean ~~promotion board established under association as~~
~~48 31 provided in~~ chapter 185, the Iowa corn promotion board
48 32 established under chapter 185C, and the Iowa egg council
48 33 established under chapter 184.

48 34 Sec. 113. Section 99D.13, subsection 2, Code 2005, is
48 35 amended to read as follows:

49 1 2. Winnings from each racetrack forfeited under subsection
49 2 1 shall escheat to the state and to the extent appropriated by
49 3 the general assembly shall be used by the department of
49 4 agriculture and land stewardship to administer section 99D.22.
49 5 The remainder shall be paid over to the commission to pay all
49 6 or part of the cost of drug testing at the tracks. To the
49 7 extent the remainder paid over to the commission, less the
49 8 cost of drug testing, is from unclaimed winnings from harness
49 9 ~~racing meets~~ race meetings, the remainder shall be used as
49 10 provided in subsection 3. To the extent the remainder paid to
49 11 the commission, less the cost of drug testing, is from
49 12 unclaimed winnings from licensed dog tracks, the commission
49 13 shall remit annually five thousand dollars, or an equal
49 14 portion of that amount, to each licensed dog track to carry
49 15 out the racing dog adoption program pursuant to section

49 16 99D.27. To the extent the remainder paid over to the
49 17 commission, less the cost of drug testing, is from unclaimed
49 18 winnings from tracks licensed for dog or horse races, the
49 19 commission, on an annual basis, shall remit one-third of the
49 20 amount to the treasurer of the city in which the racetrack is
49 21 located, one-third of the amount to the treasurer of the
49 22 county in which the racetrack is located, and one-third of the
49 23 amount to the racetrack from which it was forfeited. If the
49 24 racetrack is not located in a city, then one-third shall be
49 25 deposited as provided in chapter 556. The amount received by
49 26 the racetrack under this subsection shall be used only for
49 27 retiring the debt of the racetrack facilities and for capital
49 28 improvements to the racetrack facilities.

49 29 Sec. 114. Section 99D.13, subsection 3, unnumbered
49 30 paragraph 1, Code 2005, is amended to read as follows:

49 31 One hundred twenty thousand dollars of winnings from wagers
49 32 placed at harness ~~racing meets~~ race meetings forfeited under
49 33 subsection 1 in a calendar year that escheat to the state and
49 34 are paid over to the commission are appropriated to the racing
49 35 commission for the fiscal year beginning in that calendar year
50 1 to be used as follows:

50 2 Sec. 115. Section 126.23A, subsection 1, paragraph a,
50 3 subparagraph (1), as enacted by 2005 Iowa Acts, Senate File
50 4 169, section 3, is amended to read as follows:

50 5 (1) Sell a product ~~that contains more than three hundred~~
50 6 ~~sixty milligrams of pseudoephedrine~~ in violation of section
50 7 124.212, subsection 4.

50 8 Sec. 116. Section 126.23A, subsection 1, paragraph b,
50 9 subparagraph (3), as enacted by 2005 Iowa Acts, Senate File
50 10 169, section 3, is amended to read as follows:

50 11 (3) Require the purchaser to ~~legibly~~ sign a logbook and to
50 12 also require the purchaser to legibly print the purchaser's
50 13 name and address in the logbook.

50 14 Sec. 117. Section 126.23A, subsection 3, as enacted by
50 15 2005 Iowa Acts, Senate File 169, section 3, is amended to read
50 16 as follows:

50 17 3. A purchaser shall ~~legibly~~ sign the logbook and also
50 18 legibly print the purchaser's name and address in the logbook.

50 19 Sec. 118. Section 135.43, subsection 3, paragraph g, as
50 20 enacted in 2005 Iowa Acts, House File 190, section 2, is
50 21 amended to read as follows:

50 22 g. In order to assist ~~another~~ a division of the department
50 23 in performing the division's duties, if the division does not
50 24 otherwise have access to the information, share information
50 25 possessed by the review team. The division receiving the
50 26 information shall maintain the confidentiality of the
50 27 information in accordance with this section. Unauthorized
50 28 release or disclosure of the information received is subject
50 29 to penalty as provided in this section.

50 30 Sec. 119. Section 135M.6, as enacted by 2005 Iowa Acts,
50 31 House File 724, section 6, is amended to read as follows:

50 32 135M.6 SAMPLE PRESCRIPTION DRUGS.

50 33 This chapter shall not be construed to restrict the use of
50 34 samples by a physician or other person legally authorized to
50 35 prescribe drugs ~~pursuant to section 147.107 under state and~~
51 1 ~~federal law~~ during the course of the physician's or other

51 2 person's duties at a medical facility or pharmacy.

51 3 Sec. 120. Section 147.105, subsection 2, as enacted by
51 4 2005 Iowa Acts, House File 418, section 1, is amended to read
51 5 as follows:

51 6 2. Except as provided under subsections 5 and 6, a
51 7 clinical laboratory or a physician providing anatomic
51 8 pathology services to patients in this state shall not,
51 9 directly or indirectly, charge, bill, or otherwise solicit
51 10 payment for such services unless the services were personally
51 11 rendered by ~~a the clinical laboratory or the physician or~~
51 12 under the direct supervision of a the clinical laboratory or
51 13 the physician in accordance with section 353 of the federal
51 14 Public Health Service Act, 42 U.S.C. } 263a.

51 15 Sec. 121. Section 231C.2, subsection 9, as amended by 2005
51 16 Iowa Acts, House File 585, section 3, is amended to read as
51 17 follows:

51 18 9. "Personal care" means assistance with the essential
51 19 activities of daily living, which may include but are not
51 20 limited to transferring, bathing, personal hygiene, dressing,
51 21 grooming, and housekeeping, that are essential to the health
51 22 and welfare of the tenant.

51 23 Sec. 122. Section 249.1, subsection 4, Code 2005, is
51 24 amended to read as follows:

51 25 4. "Previous categorical assistance programs" means the
51 26 aid to the blind program authorized by chapter 241, the aid to

51 27 the disabled program authorized by chapter 241A and the old=
51 28 age assistance program authorized by chapter 249 ~~of the~~ Code
51 29 ~~of 1973~~.
51 30 Sec. 123. Section 249.10, Code 2005, is amended to read as
51 31 follows:
51 32 249.10 PRIOR LIENS, CLAIMS AND ASSIGNMENTS.
51 33 Any lien or claim against the estate of a decedent existing
51 34 on January 1, 1974, which lien was perfected or which claim
51 35 was filed under the provisions of section 249.19, 249.20, or
52 1 249.21 ~~as they appeared in the~~ Code of 1973, and prior Codes,
52 2 and which liens or claims have not been satisfied, are void.
52 3 Any assignment of personal property which was made under the
52 4 provisions of chapter 249 ~~as it appeared in the~~ Code of 1973,
52 5 and prior Codes, is void. The director may in furtherance of
52 6 this section release any lien or claim created or existing
52 7 under that chapter. Each release made pursuant to this
52 8 section shall be executed and acknowledged by the director or
52 9 the director's authorized designee, and when recorded shall be
52 10 conclusive in favor of any third person dealing with or
52 11 concerning the property affected by the release in reliance
52 12 upon such record.
52 13 Sec. 124. Section 257.28, Code 2005, is amended to read as
52 14 follows:
52 15 257.28 ENRICHMENT LEVY.
52 16 If a school district has approved the use of the
52 17 instructional support program for a budget year, the district
52 18 shall not also collect moneys under the additional enrichment
52 19 amount approved by the voters under chapter 442, ~~as it~~
52 20 ~~appeared in~~ Code 1991, for the budget year.
52 21 Sec. 125. Section 307.12, subsection 5, Code 2005, is
52 22 amended to read as follows:
52 23 5. Prepare a budget for the department, ~~subject to the~~
52 24 ~~approval of the commission~~, and prepare reports required by
52 25 law.
52 26 Sec. 126. Section 321.43, Code 2005, is amended to read as
52 27 follows:
52 28 321.43 NEW IDENTIFYING NUMBERS.
52 29 The department may assign a distinguishing number to a
52 30 vehicle when the ~~serial vehicle identification~~ number on the
52 31 vehicle is destroyed or obliterated and issue to the owner a
52 32 special plate bearing the distinguishing number which shall be
52 33 affixed to the vehicle in a position to be determined by the
52 34 director. The vehicle shall be registered and titled under
52 35 the distinguishing number in lieu of the former ~~serial vehicle~~
53 1 ~~identification~~ number.
53 2 Sec. 127. Section 321.65, Code 2005, is amended to read as
53 3 follows:
53 4 321.65 GARAGE RECORD.
53 5 Every person or corporation operating a public garage shall
53 6 keep for public inspection a record of the registration number
53 7 and engine ~~or factory~~ serial number or manufacturer's vehicle
53 8 identification number of every motor vehicle offered for sale
53 9 or taken in for repairs in said garage.
53 10 Sec. 128. Section 321.90, subsection 2, paragraph b, Code
53 11 2005, is amended to read as follows:
53 12 b. The application shall set out the name and address of
53 13 the applicant, and the year, make, model, and ~~serial vehicle~~
53 14 identification number of the motor vehicle, if ascertainable,
53 15 together with any other identifying features, and shall
53 16 contain a concise statement of the facts surrounding the
53 17 abandonment, or a statement that the title of the motor
53 18 vehicle is lost or destroyed, or the reasons for the defect of
53 19 title in the owner. The applicant shall execute an affidavit
53 20 stating that the facts alleged are true and that no material
53 21 fact has been withheld. An order for disposal obtained
53 22 pursuant to section 555B.8, subsection 3, satisfies the
53 23 application requirements of this paragraph.
53 24 Sec. 129. Section 327B.1, subsection 6, as enacted by 2005
53 25 Iowa Acts, House File 591, section 10, is amended to read as
53 26 follows:
53 27 6. A motor carrier ~~owner or driver~~ shall ~~carry~~ keep proper
53 28 evidence of interstate authority in the motor ~~carrier vehicle~~
53 29 being operated by the motor carrier and the motor carrier
53 30 owner or driver shall make such evidence available to a peace
53 31 officer upon request.
53 32 Sec. 130. Section 331.606, subsection 3, Code 2005, is
53 33 amended to read as follows:
53 34 3. The county recorder may give the county sheriff the
53 35 records filed under this chapter or chapter 695 ~~of prior~~
54 1 ~~Codes, Code 1977~~, pertaining to the sale and registration of
54 2 weapons or may dispose of those records if the sheriff does

54 3 not wish to receive the records.

54 4 Sec. 131. Section 453A.47A, subsection 4, and subsection
54 5 9, unnumbered paragraph 1, as enacted by 2005 Iowa Acts, House
54 6 File 339, section 4, are amended to read as follows:

54 7 4. RETAILER == CIGARETTES AND TOBACCO PRODUCTS. A
54 8 retailer, as defined in section 453A.1, who holds a permit
54 9 under division I of this chapter is not required to also
54 10 obtain a ~~retailer~~ retail permit under this division. However,
54 11 if a retailer, as defined in section 453A.1, only holds a
54 12 permit under division I of this chapter and that permit is
54 13 suspended, revoked, or expired, the retailer shall not sell
54 14 any cigarettes or tobacco products during the time which the
54 15 permit is suspended, revoked, or expired.

54 16 ~~Retailer~~ Retail permits shall be issued only upon
54 17 applications, accompanied by the fee indicated above, made
54 18 upon forms furnished by the department upon written request.
54 19 The failure to furnish such forms shall be no excuse for the
54 20 failure to file the form unless absolute refusal is shown.
54 21 The forms shall specify:

54 22 Sec. 132. Section 483A.8, subsection 5, Code 2005, is
54 23 amended to read as follows:

54 24 5. A nonresident owning land in this state may apply for
54 25 ~~one of the first six thousand~~ a nonresident ~~antlered or any~~
54 26 ~~sex deer licenses not limited to antlerless deer hunting~~
54 27 license, and the provisions of subsection 3 shall apply.

54 28 However, if a nonresident owning land in this state is
54 29 unsuccessful in obtaining one of the ~~first six thousand~~
54 30 nonresident ~~antlered or any sex deer hunting~~ licenses, the
54 31 landowner shall be given preference for one of the ~~two~~
54 32 ~~thousand five hundred antlerless deer~~ only nonresident deer
54 33 hunting licenses available pursuant to subsection 3. A
54 34 nonresident owning land in this state shall pay the fee for a
54 35 nonresident antlerless only deer license and the license shall
55 1 be valid to hunt on the nonresident's land only. ~~A~~
55 2 ~~nonresident owning land in this state is eligible for only one~~
55 3 ~~nonresident deer license annually~~. If one or more parcels of
55 4 land have multiple nonresident owners, only one of the
55 5 nonresident owners is eligible for a nonresident antlerless
55 6 only deer license. If a nonresident jointly owns land in this
55 7 state with a resident, the nonresident shall not be given
55 8 preference for a nonresident antlerless only deer license.
55 9 The department may require proof of land ownership from a
55 10 nonresident landowner applying for a nonresident antlerless
55 11 only deer license.

55 12 Sec. 133. Section 501A.231, subsection 5, if enacted by
55 13 2005 Iowa Acts, House File 859, section 17, is amended to read
55 14 as follows:

55 15 5. The secretary of state may provide for the change of
55 16 registered office or registered agent on the form prescribed
55 17 by the secretary of state for the biennial report, provided
55 18 that the form contains the information required by section
55 19 501A.402. If the secretary of state determines that a
55 20 biennial report does not contain the information required by
55 21 this section but otherwise meets the requirements of section
55 22 ~~501.402~~ 501A.402 for the purpose of changing the registered
55 23 office or registered agent, the secretary of state shall file
55 24 the statement of change of registered office or registered
55 25 agent, effective as provided in section 501A.203, before
55 26 returning the biennial report to the cooperative as provided
55 27 in this section. A statement of change of registered office
55 28 or agent pursuant to this subsection shall be executed by a
55 29 person authorized to execute the biennial report.

55 30 Sec. 134. Section 501A.1001, subsection 4, if enacted by
55 31 2005 Iowa Acts, House File 859, section 73, is amended to read
55 32 as follows:

55 33 4. The determinations of the board as to the amount or
55 34 fair value or the fairness to the cooperative of the
55 35 contribution accepted or to be accepted by the cooperative or
56 1 the terms of payment or performance, including under a
56 2 contribution ~~rights agreement~~ in section 501A.1003, and a
56 3 contribution rights agreement in section 501A.1004, are
56 4 presumed to be proper if they are made in good faith and on
56 5 the basis of accounting methods, or a fair valuation or other
56 6 method, reasonable in the circumstances. Directors who are
56 7 present and entitled to vote, and who, intentionally or
56 8 without reasonable investigation, fail to vote against
56 9 approving a consideration that is unfair to the cooperative,
56 10 or overvalue property or services received or to be received
56 11 by the cooperative as a contribution, are jointly and
56 12 severally liable to the cooperative for the benefit of the
56 13 then members who did not consent to and are damaged by the

56 14 action to the extent of the damages of those members. A
56 15 director against whom a claim is asserted under this
56 16 subsection, except in case of knowing participation in a
56 17 deliberate fraud, is entitled to contribution on an equitable
56 18 basis from other directors who are liable under this
56 19 subsection.

56 20 Sec. 135. Section 10B.4, subsection 1, Code 2005, as
56 21 amended by 2005 Iowa Acts, House File 859, section 102, if
56 22 enacted, is amended to read as follows:

56 23 1. A biennial report shall be filed by a reporting entity
56 24 with the secretary of state on or before March 31 of each odd=
56 25 numbered year as required by rules adopted by the secretary of
56 26 state pursuant to chapter 17A. However, a reporting entity
56 27 required to file a biennial report pursuant to chapter 490,
56 28 ~~490A~~, 496C, 497, 498, ~~490A~~, 499, 501, 501A, or 504A shall file
56 29 the report required by this section in the same year as
56 30 required by that chapter. The reporting entity may file the
56 31 report required by this section together with the biennial
56 32 report required to be filed by one of the other chapters
56 33 referred to in this subsection. The reports shall be filed on
56 34 forms prepared and supplied by the secretary of state. The
56 35 secretary of state may provide for combining its reporting
57 1 forms with other biennial reporting forms required to be used
57 2 by the reporting entities.

57 3 Sec. 136. 2005 Iowa Acts, House File 859, section 104, if
57 4 enacted, is amended by striking the section and inserting in
57 5 lieu thereof the following:

57 6 SEC. 104. Section 15.385, subsection 4, paragraph a, Code
57 7 2005, is amended to read as follows:

57 8 a. An eligible business may claim a tax credit equal to a
57 9 percentage of the new investment directly related to new jobs
57 10 created by the location or expansion of an eligible business
57 11 under the program. The tax credit shall be allowed against
57 12 taxes imposed under chapter 422, division II, III, or V. If
57 13 the business is a partnership, S corporation, limited
57 14 liability company, cooperative organized under chapter 501 or
57 15 501A and filing as a partnership for federal tax purposes, or
57 16 estate or trust electing to have the income taxed directly to
57 17 the individual, an individual may claim the tax credit
57 18 allowed. The amount claimed by the individual shall be based
57 19 upon the pro rata share of the individual's earnings of the
57 20 partnership, S corporation, limited liability company,
57 21 cooperative organized under chapter 501 or 501A and filing as
57 22 a partnership for federal tax purposes, or estate or trust.
57 23 The percentage shall be equal to the amount provided in
57 24 paragraph "d". Any tax credit in excess of the tax liability
57 25 for the tax year may be credited to the tax liability for the
57 26 following seven years or until depleted, whichever occurs
57 27 first.

57 28 Subject to prior approval by the department of economic
57 29 development, in consultation with the department of revenue,
57 30 an eligible business whose project primarily involves the
57 31 production of value-added agricultural products or uses
57 32 biotechnology-related processes may elect to receive a refund
57 33 of all or a portion of an unused tax credit. For purposes of
57 34 this subsection, such an eligible business includes a

57 35 cooperative described in section 521 of the Internal Revenue
58 1 Code which is not required to file an Iowa corporate income
58 2 tax return, and whose project primarily involves the
58 3 production of ethanol. The refund may be applied against a
58 4 tax liability imposed under chapter 422, division II, III, or
58 5 V. If the business is a partnership, S corporation, limited
58 6 liability company, cooperative organized under chapter 501 or
58 7 501A and filing as a partnership for federal tax purposes, or

58 8 estate or trust electing to have the income taxed directly to
58 9 the individual, an individual may claim the tax credit
58 10 allowed. The amount claimed by the individual shall be based
58 11 upon the pro rata share of the individual's earnings of the
58 12 partnership, S corporation, limited liability company,
58 13 cooperative organized under chapter 501 or 501A and filing as
58 14 a partnership for federal tax purposes, or estate or trust.

58 15 Sec. 137. Section 602.1304, subsection 2, paragraph b,
58 16 Code 2005, as amended by 2005 Iowa Acts, House File 826,
58 17 section 3, is amended to read as follows:

58 18 b. For each fiscal year, a judicial collection estimate
58 19 for that fiscal year shall be equally and proportionally
58 20 divided into a quarterly amount. The judicial collection
58 21 estimate shall be calculated by using the state revenue
58 22 estimating conference estimate made by December 15 pursuant to
58 23 section 8.22A, subsection 3, of the total amount of fines,
58 24 fees, civil penalties, costs, surcharges, and other revenues

58 25 collected by judicial officers and court employees for deposit
58 26 into the general fund of the state. The revenue estimating
58 27 conference estimate shall be reduced by the maximum amounts
58 28 allocated to the Iowa prison infrastructure fund pursuant to
58 29 section 602.8108A, the court technology and modernization fund
58 30 pursuant to section 602.8108, subsection 7, the judicial
58 31 branch pursuant to section 602.8108, subsection 7A, and the
58 32 road use tax fund pursuant to section 602.8108, subsection 8,
58 33 ~~and amounts allocated to the department of public safety's~~
~~58 34 vehicle depreciation account pursuant to section 602.8108,~~
~~58 35 subsection 9,~~ and the remainder shall be the judicial
59 1 collection estimate. In each quarter of a fiscal year, after
59 2 revenues collected by judicial officers and court employees
59 3 equal to that quarterly amount are deposited into the general
59 4 fund of the state, after the required amount is deposited
59 5 during the quarter into the Iowa prison infrastructure fund
59 6 pursuant to section 602.8108A and into the court technology
59 7 and modernization fund pursuant to section 602.8108,
59 8 subsection 7, and after the required amount is allocated to
59 9 the judicial branch pursuant to section 602.8108, subsection
59 10 7A, ~~and to the department of public safety's vehicle~~
~~59 11 depreciation account pursuant to section 602.8108, subsection~~
~~59 12 9,~~ the director of the department of administrative services
59 13 shall deposit the remaining revenues for that quarter into the
59 14 enhanced court collections fund in lieu of the general fund.
59 15 However, after total deposits into the collections fund for
59 16 the fiscal year are equal to the maximum deposit amount
59 17 established for the collections fund, remaining revenues for
59 18 that fiscal year shall be deposited into the general fund. If
59 19 the revenue estimating conference agrees to a different
59 20 estimate at a later meeting which projects a lesser amount of
59 21 revenue than the initial estimate amount used to calculate the
59 22 judicial collection estimate, the director of the department
59 23 of administrative services shall recalculate the judicial
59 24 collection estimate accordingly. If the revenue estimating
59 25 conference agrees to a different estimate at a later meeting
59 26 which projects a greater amount of revenue than the initial
59 27 estimate amount used to calculate the judicial collection
59 28 estimate, the director of the department of administrative
59 29 services shall recalculate the judicial collection estimate
59 30 accordingly but only to the extent that the greater amount is
59 31 due to an increase in the fines, fees, civil penalties, costs,
59 32 surcharges, or other revenues allowed by law to be collected
59 33 by judicial officers and court employees.
59 34 Sec. 138. Section 602.8108, subsection 2, Code 2005, as
59 35 amended by 2005 Iowa Acts, House File 826, section 5, is
60 1 amended to read as follows:
60 2 2. Except as otherwise provided, the clerk of the district
60 3 court shall report and submit to the state court
60 4 administrator, not later than the fifteenth day of each month,
60 5 the fines and fees received during the preceding calendar
60 6 month. Except as provided in subsections 3, 4, 5, 7, 7A, and
60 7 8, ~~and 9,~~ the state court administrator shall deposit the
60 8 amounts received with the treasurer of state for deposit in
60 9 the general fund of the state. The state court administrator
60 10 shall report to the legislative services agency within thirty
60 11 days of the beginning of each fiscal quarter the amount
60 12 received during the previous quarter in the account
60 13 established under this section.
60 14 Sec. 139. Section 633.10, subsection 5, Code 2005, is
60 15 amended to read as follows:
60 16 5. ACTIONS FOR ACCOUNTING.
60 17 An action for an accounting against a beneficiary of a
60 18 transfer on death security registration, pursuant to ~~this~~
60 19 chapter 633D.
60 20 Sec. 140. Section 805.8C, subsection 6, as amended by 2005
60 21 Iowa Acts, Senate File 169, section 9, is amended to read as
60 22 follows:
60 23 6. PSEUDOEPHEDRINE SALES VIOLATIONS. For violations of
60 24 section 126.23A, subsection 1, by an employee of a retailer,
60 25 or for violations of section 126.23A, subsection 2, paragraph
~~60 26 "a,"~~ by a purchaser, the scheduled fine is as follows:
60 27 a. If the violation is a first offense, the scheduled fine
60 28 is one hundred dollars.
60 29 b. If the violation is a second offense, the scheduled
60 30 fine is two hundred fifty dollars.
60 31 c. If the violation is a third or subsequent offense, the
60 32 scheduled fine is five hundred dollars.
60 33 Sec. 141. 2005 Iowa Acts, House File 739, section 7, if
60 34 enacted, is amended to read as follows:
60 35 SEC. 7. CONTINGENT EFFECTIVENESS. The sections of this

61 1 Act ~~creating amending Code chapter 280A or enacting new~~
61 2 ~~sections in~~ Code chapter 280A take effect only if the general
61 3 assembly appropriates funds for the fiscal year beginning July
61 4 1, 2005, in an amount sufficient to implement the provisions
61 5 of Code chapter 280A, if enacted.
61 6 Sec. 142. 2005 Iowa Acts, House File 839, is amended by
61 7 adding the following new section:
61 8 SEC. ____ EFFECTIVE DATE. This Act, being deemed of
61 9 immediate importance, takes effect upon enactment of 2005 Iowa
61 10 Acts, House File 882.
61 11 Sec. 143. CONTINGENT EFFECTIVE DATE. The section of this
61 12 division of this Act amending section 10A.104 is contingent
61 13 upon the enactment of 2005 Iowa Acts, House File 770.
61 14 DIVISION IX
61 15 STATE LIQUOR ACTIVITIES
61 16 Sec. 144. Section 123.53, subsection 3, Code 2005, is
61 17 amended to read as follows:
61 18 3. The treasurer of state shall transfer into a special
61 19 revenue account in the general fund of the state, a sum of
61 20 money at least equal to seven percent of the gross amount of
61 21 sales made by the division from the beer and liquor control
61 22 fund on a monthly basis but not less than nine million dollars
61 23 annually, ~~and any amounts so.~~ Of the amounts transferred, two
61 24 million dollars, plus an additional amount determined by the
61 25 general assembly, shall be used by appropriated to the
61 26 substance abuse division of the Iowa department of public
61 27 health ~~to be used~~ for substance abuse treatment and prevention
61 28 programs ~~in an amount determined by the general assembly and~~
61 29 ~~any.~~ Any amounts received in excess of the amounts
61 30 appropriated to the substance abuse division of the Iowa
61 31 department of public health shall be considered part of the
61 32 general fund balance.
61 33 Sec. 145. ALCOHOLIC BEVERAGES DIVISION == STATE LIQUOR
61 34 WAREHOUSE AND TRUCKING FUNCTIONS. The department of
61 35 administrative services shall issue a request for proposals
62 1 developed with the alcoholic beverages division of the
62 2 department of commerce or otherwise utilize a competitive
62 3 process not inconsistent with the division's current charter
62 4 agency agreement to select a provider to perform the state
62 5 liquor warehouse and trucking functions. The request for
62 6 proposals or competitive process shall be issued or commenced
62 7 as soon as is reasonably possible and a provider shall be
62 8 selected no later than December 31, 2005. The division may
62 9 submit a bid in response to a request for proposals issued or
62 10 competitive process conducted pursuant to this section. If
62 11 the division submits a bid, the division shall include in the
62 12 bid the cost of labor to perform the contract which shall be
62 13 calculated by using the cost of hiring full-time equivalent
62 14 positions to perform the contract pursuant to state pay grade
62 15 classifications and benefits as outlined in the most recent
62 16 collective bargaining agreement applicable to other employees
62 17 of the division. Notwithstanding any provision of chapter 22
62 18 to the contrary, the division's bid and any documents the
62 19 division uses in developing its bid shall be considered a
62 20 confidential record until the department of administrative
62 21 services announces the results of the request for proposals or
62 22 competitive process.
62 23 Sec. 146. EFFECTIVE DATE. The section of this division of
62 24 this Act amending section 123.53 takes effect July 1, 2006.
62 25 DIVISION X
62 26 BOARD OF REGENTS
62 27 Sec. 147. Section 12B.10C, Code 2005, is amended by adding
62 28 the following new subsection:
62 29 NEW SUBSECTION. 10. The state board of regents governed
62 30 by chapter 262.
62 31 Sec. 148. Section 73A.1, subsection 2, Code 2005, is
62 32 amended to read as follows:
62 33 2. "Municipality" as used in this chapter means township,
62 34 school corporation, and state fair board, ~~and state board of~~
62 35 ~~regents.~~
63 1 Sec. 149. Section 262.9, subsection 7, Code 2005, is
63 2 amended to read as follows:
63 3 7. ~~With the approval of the executive council, acquire~~
63 4 Acquire real estate for the proper uses of ~~said~~ institutions
63 5 under its control, and dispose of real estate belonging to
63 6 ~~said~~ the institutions when not necessary for their purposes.
63 7 ~~A~~ The disposal of ~~such~~ real estate shall be made upon such
63 8 terms, conditions, and consideration as the board may
63 9 recommend ~~and subject to the approval of the executive~~
63 10 ~~council.~~ If real estate subject to sale ~~hereunder~~ has been
63 11 purchased or acquired from appropriated funds, the proceeds of

63 12 such sale shall be deposited with the treasurer of state and
63 13 credited to the general fund of the state. There is hereby
63 14 appropriated from the general fund of the state a sum equal to
63 15 the proceeds so deposited and credited to the general fund of
63 16 the state to the state board of regents, ~~which, with the prior~~
~~63 17 approval of the executive council,~~ may be used to purchase
63 18 other real estate and buildings, and for the construction and
63 19 alteration of buildings and other capital improvements. All
63 20 transfers shall be by state patent in the manner provided by
63 21 law. The board is also authorized to grant easements for
63 22 rights-of-way over, across, and under the surface of public
63 23 lands under its jurisdiction when in the board's judgment such
63 24 easements are desirable and will benefit the state of Iowa.

63 25 Sec. 150. Section 262.9, subsection 15, unnumbered
63 26 paragraph 2, Code 2005, is amended by striking the unnumbered
63 27 paragraph.

63 28 Sec. 151. Section 262.10, unnumbered paragraph 1, Code
63 29 2005, is amended to read as follows:

63 30 No sale or purchase of real estate shall be made save upon
63 31 the order of the board, made at a regular meeting, or one
63 32 called for that purpose, and then in such manner and under
63 33 such terms as the board may prescribe ~~and only with the~~
~~63 34 approval of the executive council.~~ No member of the board or
63 35 any of its committees, offices or agencies nor any officer of
64 1 any institution, shall be directly or indirectly interested in
64 2 such purchase or sale.

64 3 Sec. 152. Section 262.33A, Code 2005, is amended to read
64 4 as follows:

64 5 262.33A FIRE AND ENVIRONMENTAL SAFETY == REPORT ==
64 6 EXPENDITURES.

64 7 It is the intent of the general assembly that each
64 8 institution of higher education under the control of the state
64 9 board of regents shall, in consultation with the state fire
64 10 marshal, identify and correct all critical fire and
64 11 environmental safety deficiencies. ~~The state fire marshal~~
~~64 12 shall report annually to the joint subcommittee on education~~
~~64 13 appropriations. The report shall include, but is not limited~~
~~64 14 to, the identified deficiencies in fire and environmental~~
~~64 15 safety at the institutions, and plans for correction of the~~
~~64 16 deficiencies and for compliance with this section.~~ Commencing
64 17 July 1, 1993, each institution under the control of the state
64 18 board of regents shall expend annually for fire safety and
64 19 deferred maintenance at least the amount budgeted for these
64 20 purposes for the fiscal year beginning July 1, 1992, in
64 21 addition to any moneys appropriated from the general fund for
64 22 these purposes in succeeding years.

64 23 Sec. 153. Section 262.34, Code 2005, is amended to read as
64 24 follows:

64 25 262.34 IMPROVEMENTS == ADVERTISEMENT FOR BIDS ==
64 26 DISCLOSURES == PAYMENTS.

64 27 1. When the estimated cost of construction, repairs, or
64 28 improvement of buildings or grounds under charge of the state
64 29 board of regents exceeds ~~twenty-five~~ one hundred thousand
64 30 dollars, the board shall advertise for bids for the
64 31 contemplated improvement or construction and shall let the
64 32 work to the lowest responsible bidder. However, if in the
64 33 judgment of the board bids received are not acceptable, the
64 34 board may reject all bids and proceed with the construction,
64 35 repair, or improvement by a method as the board may determine.

65 1 All plans and specifications for repairs or construction,
65 2 together with bids on the plans or specifications, shall be
65 3 filed by the board and be open for public inspection. All
65 4 bids submitted under this section shall be accompanied by a
65 5 deposit of money, a certified check, or a credit union
65 6 certified share draft in an amount as the board may prescribe.

65 7 2. A bidder awarded a contract shall disclose the names of
65 8 all subcontractors, who will work on the project being bid,
65 9 within forty-eight hours after the award of the contract. If
65 10 a subcontractor named by a bidder awarded a contract is
65 11 replaced, or if the cost of work to be done by a subcontractor
65 12 is reduced, the bidder shall disclose the name of the new
65 13 subcontractor or the amount of the reduced cost.

65 14 3. Payments made by the board for the construction of
65 15 public improvements shall be made in accordance with the
65 16 provisions of chapter 573 except that:

65 17 a. Payments may be made without retention until ninety=
65 18 five percent of the contract amount has been paid. The
65 19 remaining five percent of the contract amount shall be paid as
65 20 provided in section 573.14, except that:

65 21 (1) At any time after all or any part of the work is
65 22 substantially completed in accordance with paragraph "c", the

65 23 contractor may request the release of all or part of the
65 24 retainage owed. Such request shall be accompanied by a waiver
65 25 of claim rights under the provisions of chapter 573 from any
65 26 person, firm, or corporation who has, under contract with the
65 27 principal contractor or with subcontractors performed labor,
65 28 or furnished materials, service, or transportation in the
65 29 construction of that portion of the work for which release of
65 30 the retainage is requested.

65 31 (2) Upon receipt of the request, the board shall release
65 32 all or part of the unpaid funds. Retainage that is approved
65 33 as payable shall be paid at the time of the next monthly
65 34 payment or within thirty days, whichever is sooner. If
65 35 partial retainage is released pursuant to a contractor's
66 1 request, no retainage shall be subsequently held based on that
66 2 portion of the work. If within thirty days of when payment
66 3 becomes due the board does not release the retainage due,
66 4 interest shall accrue on the retainage amount due as provided
66 5 in section 573.14 until that amount is paid.

66 6 (3) If at the time of the request for the retainage there
66 7 are remaining or incomplete minor items, an amount equal to
66 8 two hundred percent of the value of each remaining or
66 9 incomplete item, as determined by the board's authorized
66 10 contract representative, may be withheld until such item or
66 11 items are completed.

66 12 (4) An itemization of the remaining or incomplete items,
66 13 or the reason that the request for release of the retainage
66 14 was denied, shall be provided to the contractor in writing
66 15 within thirty calendar days of the receipt of the request for
66 16 release of retainage.

66 17 b. For purposes of this section, "authorized contract
66 18 representative" means the architect or engineer who is in
66 19 charge of the project and chosen by the board to represent its
66 20 interests, or if there is no architect or engineer, then such
66 21 other contract representative or officer as designated in the
66 22 contract documents as the party representing the board's
66 23 interest regarding administration and oversight of the
66 24 project.

66 25 c. For purposes of this section, "substantially completed"
66 26 means the first date on which any of the following occurs:

66 27 (1) Completion of the project or when the work has been
66 28 substantially completed in general accordance with the terms
66 29 and provisions of the contract.

66 30 (2) The work or the portion designated is sufficiently
66 31 complete in accordance with the requirements of the contract
66 32 so the board can occupy or utilize the work for its intended
66 33 purpose.

66 34 (3) The project is certified as having been substantially
66 35 completed by either of the following:

67 1 (a) The architect or engineer authorized to make such
67 2 certification.

67 3 (b) The contracting authority representing the board.

67 4 4. Each contractor or subcontractor shall withhold
67 5 retainage, if at all, in the same manner as retainage is
67 6 withheld from the contractor or subcontractor; and each
67 7 subcontractor shall pass through all retainage payments to
67 8 lower tier subcontractors in accordance with the provisions of
67 9 chapter 573.

67 10 Sec. 154. Section 262.57, unnumbered paragraph 1, Code
67 11 2005, is amended to read as follows:

67 12 To pay all or any part of the cost of carrying out any
67 13 project at any institution the board is authorized to borrow
67 14 money and to issue and sell negotiable bonds or notes and to
67 15 refund and refinance bonds or notes heretofore issued or as
67 16 may be hereafter issued for any project or for refunding
67 17 purposes at a lower rate, the same rate or a higher rate or
67 18 rates of interest and from time to time as often as the board
67 19 shall find it to be advisable and necessary so to do. Such
67 20 bonds or notes may be sold by said board at public sale in the
67 21 manner prescribed by chapter 75 but if the board shall find it
67 22 to be advantageous and in the public interest to do so, such
67 23 bonds or notes may be sold by the board at private sale
67 24 without published notice of any kind and without regard to the
67 25 requirements of chapter 75 in such manner and upon such terms
67 26 as may be prescribed by the resolution authorizing the same,
67 27 but such bonds or notes shall in any event be sold upon terms
67 28 of not less than par plus accrued interest. Bonds or notes
67 29 issued to refund other bonds or notes heretofore or hereafter
67 30 issued by the board for residence hall or dormitory purposes
67 31 at any institution, including dining or other facilities and
67 32 additions, or heretofore or hereafter issued for refunding
67 33 purposes, may either be sold in the manner hereinbefore

67 34 specified and the proceeds thereof applied to the payment of
67 35 the obligations being refunded, or the refunding bonds or
68 1 notes may be exchanged for and in payment and discharge of the
68 2 obligations being refunded, and a finding by the board in the
68 3 resolution authorizing the issuance of such refunding bonds or
68 4 notes that the bonds or notes being refunded were issued for a
68 5 purpose specified in this division and constitute binding
68 6 obligations of the board shall be conclusive and may be relied
68 7 upon by any holder of any refunding bond or note issued under
68 8 the provisions of this division. The refunding bonds or notes
68 9 may be sold or exchanged in installments at different times or
68 10 an entire issue or series may be sold or exchanged at one
68 11 time. Any issue or series of refunding bonds or notes may be
68 12 exchanged in part or sold in parts in installments at
68 13 different times or at one time. The refunding bonds or notes
68 14 may be sold or exchanged at any time on, before, or after the
68 15 maturity of any of the outstanding notes, bonds or other
68 16 obligations to be refinanced thereby and may be issued for the
68 17 purpose of refunding a like or greater principal amount of
68 18 bonds or notes, except that the principal amount of the
68 19 refunding bonds or notes may exceed the principal amount of
68 20 the bonds or notes to be refunded to the extent necessary to
68 21 pay any premium due on the call of the bonds or notes to be
68 22 refunded or to fund interest in arrears or about to become
68 23 due.

68 24 Sec. 155. Section 262.78, subsection 6, Code 2005, is
68 25 amended by striking the subsection.

68 26 Sec. 156. Section 262A.5, unnumbered paragraph 1, Code
68 27 2005, is amended to read as follows:

68 28 The board is authorized to borrow money under this chapter,
68 29 and the board may issue and sell negotiable bonds to pay all
68 30 or any part of the cost of carrying out any project at any
68 31 institution and may refund and refinance bonds issued for any
68 32 project or for refunding purposes at the same rate or at a
68 33 higher or lower rate or rates of interest. Bonds issued under
68 34 the provisions of this chapter shall be sold by said board at
68 35 public sale on the basis of sealed proposals received pursuant
69 1 to a notice specifying the time and place of sale and the
69 2 amount of bonds to be sold which shall be published at least
69 3 once not less than seven days prior to the date of sale in a
69 4 newspaper published in the state of Iowa and having a general
69 5 circulation in said state. The provisions of chapter 75 shall
69 6 not apply to bonds issued under authority contained in this
69 7 chapter, ~~but such bonds shall be sold upon terms of not less~~
~~69 8 than par plus accrued interest to the extent not in conflict~~
~~69 9 with this chapter.~~ Bonds issued to refund other bonds issued

69 10 under the provisions of this chapter may either be sold in the
69 11 manner hereinbefore specified and the proceeds thereof applied
69 12 to the payment of the obligations being refunded, or the
69 13 refunding bonds may be exchanged for and in payment and
69 14 discharge of the obligations being refunded. The refunding
69 15 bonds may be sold or exchanged in installments at different
69 16 times or an entire issue or series may be sold or exchanged at
69 17 one time. Any issue or series of refunding bonds may be
69 18 exchanged in part or sold in parts in installments at
69 19 different times or at one time. The refunding bonds may be
69 20 sold or exchanged at any time on, before, or after the
69 21 maturity of any of the outstanding bonds or other obligations
69 22 to be refinanced thereby and may be issued for the purpose of
69 23 refunding a like or greater principal amount of bonds, except
69 24 that the principal amount of the refunding bonds may exceed
69 25 the principal amount of the bonds to be refunded to the extent
69 26 necessary to pay any premium due on the call of the bonds to
69 27 be refunded or to fund interest in arrears or which is to
69 28 become due.

69 29 Sec. 157. Section 266.39F, subsection 2, unnumbered
69 30 paragraph 2, Code 2005, is amended to read as follows:

69 31 The provisions of section 262.9, subsection 7, ~~and section~~
~~69 32 262.10,~~ shall not apply to the sale of any portion of land to
69 33 be sold in accordance with this section or to the use of the
69 34 proceeds from the sale of the land.

69 35 Sec. 158. Section 573.12, subsection 1, unnumbered
70 1 paragraph 1, Code 2005, is amended to read as follows:

70 2 Payments made under contracts for the construction of
70 3 public improvements, unless provided otherwise by law, shall
70 4 be made on the basis of monthly estimates of labor performed
70 5 and material delivered, as determined by the project architect
70 6 or engineer. The public corporation shall retain from each
70 7 monthly payment not more than five percent of that amount
70 8 which is determined to be due according to the estimate of the
70 9 architect or engineer. ~~However, institutions governed~~

~~70 10 pursuant to chapter 262 may, on contracts where a bond is~~
~~70 11 required under section 573.2, make payments under this section~~
~~70 12 without retention until ninety-five percent of the contract~~
~~70 13 amount has been paid and the remaining five percent of the~~
~~70 14 contract amount shall be paid as provided under section~~
~~70 15 573.14.~~

70 16 Sec. 159. Section 573.14, unnumbered paragraph 2, Code
70 17 2005, is amended to read as follows:

70 18 The public corporation shall order payment of any amount
70 19 due the contractor to be made in accordance with the terms of
70 20 the contract. Except as provided in section 573.12 for
70 21 progress payments, failure to make payment pursuant to this
70 22 section, of any amount due the contractor, within forty days,
70 23 unless a greater time period not to exceed fifty days is
70 24 specified in the contract documents, after the work under the
70 25 contract has been completed and if the work has been accepted
70 26 and all required materials, certifications, and other
70 27 documentations required to be submitted by the contractor and
70 28 specified by the contract have been furnished the awarding
70 29 public corporation by the contractor, shall cause interest to
70 30 accrue on the amount unpaid to the benefit of the unpaid
70 31 party. Interest shall accrue during the period commencing the
70 32 thirty-first day following the completion of work and
70 33 satisfaction of the other requirements of this paragraph and
70 34 ending on the date of payment. The rate of interest shall be
70 35 determined by the period of time during which interest
71 1 accrues, and shall be the same as the rate of interest that is
71 2 in effect under section 12C.6, as of the day interest begins
71 3 to accrue, for a deposit of public funds for a comparable
71 4 period of time. However, for institutions governed pursuant
71 5 to chapter 262, the rate of interest shall be determined by
71 6 the period of time during which interest accrues, and shall be
71 7 calculated as the prime rate plus one percent per year as of
71 8 the day interest begins to accrue. This paragraph does not
71 9 abridge any of the rights set forth in section 573.16. Except
71 10 as provided in sections 573.12 and 573.16, interest shall not
71 11 accrue on funds retained by the public corporation to satisfy
71 12 the provisions of this section regarding claims on file. This
71 13 chapter does not apply if the public corporation has entered
71 14 into a contract with the federal government or accepted a
71 15 federal grant which is governed by federal law or rules that
71 16 are contrary to the provisions of this chapter. For purposes
71 17 of this unnumbered paragraph, "prime rate" means the prime
71 18 rate charged by banks on short-term business loans, as
71 19 determined by the board of governors of the federal reserve
71 20 system and published in the federal reserve bulletin.

71 21 Sec. 160. Sections 262.64A, 262.67, 262A.3, 262A.6A,
71 22 263A.11, 265.6, and 473.12, Code 2005, are repealed.

71 23 DIVISION XI

71 24 ENTREPRENEURS WITH DISABILITIES

71 25 Sec. 161. ENTREPRENEURS WITH DISABILITIES PROGRAM ==
71 26 TRANSFER OF ADMINISTRATION. The department of economic
71 27 development shall transfer the administrative duties of the
71 28 entrepreneurs with disabilities program to the Iowa finance
71 29 authority. The authority shall adopt rules pursuant to
71 30 chapter 17A for purposes of administering the program. Any
71 31 contract entered into under the program by the department of
71 32 economic development remains valid. The transfer of
71 33 administrative duties to the authority shall not constitute
71 34 grounds for rescission or modification of a contract under the
71 35 program entered into with the department.

72 1 Sec. 162. ENTREPRENEURS WITH DISABILITIES PROGRAM ==
72 2 APPROPRIATION. For the fiscal year beginning July 1, 2005,
72 3 and ending June 30, 2006, there is appropriated from the
72 4 general fund of the state to the Iowa finance authority two
72 5 hundred thousand dollars for purposes of the entrepreneurs
72 6 with disabilities program.

72 7 DIVISION XII

72 8 WIND ENERGY PRODUCTION TAX CREDIT

72 9 Sec. 163. Section 476B.1, subsection 4, paragraph c, Code
72 10 2005, is amended to read as follows:

72 11 c. Was originally placed in service on or after July 1,
72 12 ~~2004~~ 2005, but before July 1, ~~2007~~ 2008.

72 13 Sec. 164. Section 476B.3, Code 2005, is amended to read as
72 14 follows:

72 15 476B.3 CREDIT AMOUNT.

72 16 ~~1. Except as limited by subsection 2, the~~ The wind energy
72 17 production tax credit allowed under this chapter equals the
72 18 product of one cent multiplied by the number of kilowatt-hours
72 19 of qualified electricity sold by the owner during the taxable
72 20 year.

~~72 21 2. a. The maximum amount of tax credit which a group of~~
~~72 22 qualified facilities operating as one unit may receive for a~~
~~72 23 taxable year equals the rate of credit times thirty-two~~
~~72 24 percent of the total number of kilowatts of nameplate~~
~~72 25 generating capacity.~~
~~72 26 b. However, if for the previous taxable year the amount of~~
~~72 27 the tax credit for the group of qualified facilities operating~~
~~72 28 as one unit is less than the maximum amount available as~~
~~72 29 provided in paragraph "a", the maximum amount for the next~~
~~72 30 taxable year shall be increased by the amount of the previous~~
~~72 31 year's unused maximum credit.~~

72 32 Sec. 165. Section 476B.4, subsection 1, paragraph b, Code
72 33 2005, is amended by striking the paragraph.

72 34 Sec. 166. Section 476B.5, Code 2005, is amended by
72 35 striking the section and inserting in lieu thereof the

73 1 following:
73 2 476B.5 DETERMINATION OF ELIGIBILITY.

73 3 1. An owner may apply to the board for a written
73 4 determination regarding whether a facility is a qualified
73 5 facility by submitting to the board a written application
73 6 containing all of the following:

73 7 a. Information regarding the ownership of the facility
73 8 including the percentage of equity interest held by each
73 9 owner.

73 10 b. The nameplate generating capacity of the facility.

73 11 c. Information regarding the facility's initial placement
73 12 in service.

73 13 d. Information regarding the type of facility.

73 14 e. A copy of an executed power purchase agreement or other
73 15 agreement to purchase electricity upon completion of the
73 16 project.

73 17 f. Any other information the board may require.

73 18 2. The board shall review the application and supporting
73 19 information and shall make a preliminary determination
73 20 regarding whether the facility is a qualified facility. The
73 21 board shall notify the applicant of the approval or denial of
73 22 the application within thirty days of receipt of the
73 23 application and information required. If the board fails to
73 24 notify the applicant of the approval or denial within thirty
73 25 days, the application shall be deemed denied. An applicant
73 26 who receives a determination denying an application may file
73 27 an appeal with the board within thirty days from the date of
73 28 the denial pursuant to the provisions of chapter 17A. In the
73 29 absence of a timely appeal, the preliminary determination
73 30 shall be final. If the application is incomplete, the board
73 31 may grant an extension of time for the provision of additional
73 32 information.

73 33 3. A facility that is not operational within eighteen
73 34 months after issuance of an approval for the facility by the
73 35 board shall cease to be a qualified facility. A facility that
74 1 is granted and thereafter loses approval may reapply to the
74 2 board for a new determination.

74 3 4. The maximum amount of nameplate generating capacity of
74 4 all qualified facilities the board may find eligible under
74 5 this chapter shall not exceed four hundred fifty megawatts of
74 6 nameplate generating capacity.

74 7 5. An owner shall not be an owner of more than two
74 8 qualified facilities.

74 9 Sec. 167. Section 476B.6, Code 2005, is amended by
74 10 striking the section and inserting in lieu thereof the
74 11 following:

74 12 476B.6 TAX CREDIT CERTIFICATE PROCEDURE.

74 13 1. a. To be eligible to receive the wind energy
74 14 production tax credit, the owner must first receive approval
74 15 of the board of supervisors of the county in which the
74 16 qualified facility is located. The application for approval
74 17 may be submitted prior to commencement of the construction of
74 18 the qualified facility but shall be submitted no later than
74 19 the close of the owner's first taxable year for which the
74 20 credit is to be applied for. The application must contain the
74 21 owner's name and address, the address of the qualified
74 22 facility, and the dates of the owner's first and last taxable
74 23 years for which the credit will be applied for. Within forty=
74 24 five days of the receipt of the application for approval, the
74 25 board of supervisors shall either approve or disapprove the
74 26 application. After the forty=five=day limit, the application
74 27 is deemed to be approved.

74 28 b. Upon approval of the application, the owner may apply
74 29 for the tax credit as provided in subsection 2. In addition,
74 30 approval of the application is acceptance by the applicant for
74 31 the assessment of the qualified facility for property tax

74 32 purposes for a period of twelve years and approval by the
74 33 board of supervisors for the payment of the property taxes
74 34 levied on the qualified property to the state. For purposes
74 35 of property taxation, the qualified facility shall be
75 1 centrally assessed and shall be exempt from any replacement
75 2 tax under section 437A.6 for the period during which the
75 3 facility is subject to property taxation. The property taxes
75 4 to be paid to the state are those property taxes which make up
75 5 the consolidated tax levied on the qualified facility and
75 6 which are due and payable in the twelve-year period beginning
75 7 with the first fiscal year beginning on or after the end of
75 8 the owner's first taxable year for which the credit is applied
75 9 for. Upon approval of the application, the board of
75 10 supervisors shall notify the county treasurer to state on the
75 11 tax statement which lists the taxes on the qualified facility
75 12 that the amount of the property taxes shall be paid to the
75 13 department. Payment of the designated property taxes to the
75 14 department shall be in the same manner as required for the
75 15 payment of regular property taxes and failure to pay
75 16 designated property taxes to the department shall be treated
75 17 the same as failure to pay property taxes to the county
75 18 treasurer.

75 19 c. Once the owner of the qualified facility receives
75 20 approval under paragraph "a", subsequent approval under
75 21 paragraph "a" is not required for the same qualified facility
75 22 for subsequent taxable years.

75 23 2. An owner of a qualified facility may apply to the board
75 24 for the wind energy production tax credit by submitting to the
75 25 board all of the following:

75 26 a. A completed application in a form prescribed by the
75 27 board.

75 28 b. A copy of the determination granting approval of the
75 29 facility as a qualified facility by the board.

75 30 c. A copy of a signed power purchase agreement or other
75 31 agreement to purchase electricity.

75 32 d. Sufficient documentation that the electricity has been
75 33 generated by the qualified facility and sold to a purchaser.

75 34 e. Any other information the board deems necessary.

75 35 3. The board shall notify the department of the amount of
76 1 kilowatt-hours generated and purchased from a qualified
76 2 facility. The department shall calculate the amount of the
76 3 tax credit for which the applicant is eligible and shall issue
76 4 the tax credit certificate for that amount or notify the
76 5 applicant in writing of its refusal to do so. An applicant
76 6 whose application is denied may file an appeal with the
76 7 department within sixty days from the date of the denial
76 8 pursuant to the provisions of chapter 17A.

76 9 4. Each tax credit certificate shall contain the owner's
76 10 name, address, and tax identification number, the amount of
76 11 tax credits, the first taxable year the certificate may be
76 12 used, the type of tax to which the tax credits shall be
76 13 applied, and any other information required by the department.
76 14 The tax credit certificate shall only list one type of tax to
76 15 which the amount of the tax credit may be applied. Once
76 16 issued by the department, the tax credit certificate shall not
76 17 be terminated or rescinded.

76 18 5. If the tax credit application is filed by a
76 19 partnership, limited liability company, S corporation, estate,
76 20 trust, or other reporting entity all of the income of which is
76 21 taxed directly to its equity holders or beneficiaries, for the
76 22 taxes imposed under chapter 422, division II or III, the tax
76 23 credit certificate shall be issued directly to equity holders
76 24 or beneficiaries of the applicant in proportion to their pro
76 25 rata share of the income of such entity. The applicant shall,
76 26 in the application made under this section, identify its
76 27 equity holders or beneficiaries, and the percentage of such
76 28 entity's income that is allocable to each equity holder or
76 29 beneficiary. If the tax credit application is filed by a
76 30 partnership, limited liability company, S corporation, estate,
76 31 trust, or other reporting entity, all of whose income is taxed
76 32 directly to its equity holders or beneficiaries for the taxes
76 33 imposed under chapter 422, division V, or under chapter 432,
76 34 the tax credit certificate shall be issued directly to the
76 35 partnership, limited liability company, S corporation, estate,
77 1 trust, or other reporting entity.

77 2 6. The department shall not issue a tax credit certificate
77 3 if the facility approved by the board as a qualified facility
77 4 is not operational within eighteen months after the approval
77 5 is issued.

77 6 7. Once a tax credit certificate is issued pursuant to
77 7 this section, the tax credit may only be claimed against the

77 8 type of tax reflected on the certificate.

77 9 8. A tax credit certificate shall not be used or attached
77 10 to a return filed for a taxable year beginning prior to July
77 11 1, 2006.

77 12 Sec. 168. Section 476B.7, unnumbered paragraph 1, Code
77 13 2005, is amended to read as follows:

77 14 Wind energy production tax credit certificates issued under
77 15 this chapter may be transferred to any person or entity.
77 16 Within thirty days of transfer, the transferee must submit the
77 17 transferred tax credit certificate to the board department
77 18 along with a statement containing the transferee's name, tax
77 19 identification number, and address, and the denomination that
77 20 each replacement tax credit certificate is to carry and any
77 21 other information required by the department. Within thirty
77 22 days of receiving the transferred tax credit certificate and
77 23 the transferee's statement, the board department shall issue
77 24 one or more replacement tax credit certificates to the
77 25 transferee. Each replacement certificate must contain the
77 26 information required under section 476B.6 and must have the
77 27 same effective taxable year and the same expiration date that
77 28 appeared in the transferred tax credit certificate. Tax
77 29 credit certificate amounts of less than the minimum amount
77 30 established by rule of the board shall not be transferable. A
77 31 tax credit shall not be claimed by a transferee under this
77 32 chapter until a replacement tax credit certificate identifying
77 33 the transferee as the proper holder has been issued.

77 34 Sec. 169. Section 476B.8, Code 2005, is amended to read as
77 35 follows:

78 1 476B.8 USE OF TAX CREDIT CERTIFICATES.

78 2 To claim a wind energy production tax credit under this
78 3 chapter, a taxpayer must attach one or more tax credit
78 4 certificates to the taxpayer's tax return. A tax credit
78 5 certificate shall not be used or attached to a return filed
78 6 for a taxable year beginning prior to July 1, ~~2005~~ 2006. The
78 7 tax credit certificate or certificates attached to the
78 8 taxpayer's tax return shall be issued in the taxpayer's name,
78 9 expire on or after the last day of the taxable year for which
78 10 the taxpayer is claiming the tax credit, and show a tax credit
78 11 amount equal to or greater than the tax credit claimed on the
78 12 taxpayer's tax return. Any tax credit in excess of the
78 13 taxpayer's tax liability for the taxable year may be credited
78 14 to the taxpayer's tax liability for the following seven
78 15 taxable years or until depleted, whichever is the earlier.

78 16 Sec. 170. Section 476B.9, Code 2005, is amended to read as
78 17 follows:

78 18 476B.9 REGISTRATION OF TAX CREDIT CERTIFICATES.

78 19 ~~The board shall, in conjunction with the department, shall~~
78 20 develop a system for the registration of the wind energy
78 21 production tax credit certificates issued or transferred under
78 22 this chapter and a system that permits verification that any
78 23 tax credit claimed on a tax return is valid and that transfers
78 24 of the tax credit certificates are made in accordance with the
78 25 requirements of this chapter. The tax credit certificates
78 26 issued under this chapter shall not be classified as a
78 27 security pursuant to chapter 502.

78 28 Sec. 171. NEW SECTION. 476B.10 RULES.

78 29 The department and the board may adopt rules pursuant to
78 30 chapter 17A for the administration and enforcement of this
78 31 chapter.

78 32 DIVISION XIII

78 33 PROVISIONS RELATING TO THE PRACTICE OF PHARMACY

78 34 Sec. 172. Section 155A.3, subsection 11, Code 2005, is
78 35 amended to read as follows:

79 1 11. "Dispense" means to deliver a prescription drug,
79 2 ~~device~~, or controlled substance to an ultimate user or
79 3 research subject by or pursuant to the lawful prescription
79 4 drug order or medication order of a practitioner, including
79 5 the prescribing, administering, packaging, labeling, or
79 6 compounding necessary to prepare the substance for that
79 7 delivery.

79 8 Sec. 173. Section 155A.3, Code 2005, is amended by adding
79 9 the following new subsection:

79 10 NEW SUBSECTION. 22A. "Logistics provider" means an entity
79 11 that provides or coordinates warehousing, distribution, or
79 12 other services on behalf of a manufacturer or other owner of a
79 13 drug, but does not take title to the drug or have general
79 14 responsibility to direct its sale or other disposition.

79 15 Sec. 174. Section 155A.3, Code 2005, is amended by adding
79 16 the following new subsection:

79 17 NEW SUBSECTION. 23A. "Pedigree" means a recording of each
79 18 distribution of any given drug or device, from the sale by the

79 19 manufacturer through acquisition and sale by any wholesaler,
79 20 pursuant to rules adopted by the board.
79 21 Sec. 175. Section 155A.3, subsection 33, paragraph b, Code
79 22 2005, is amended to read as follows:
79 23 b. A drug or device that under federal law is required,
79 24 prior to being dispensed or delivered, to be labeled with
79 25 ~~either one~~ of the following statements:
79 26 (1) Caution: Federal law prohibits dispensing without a
79 27 prescription.
79 28 (2) Caution: Federal law restricts this drug to use by or
79 29 on the order of a licensed veterinarian.
79 30 (3) Caution: Federal law restricts this device to sale
79 31 by, or on the order of, a physician.
79 32 (4) Rx only.
79 33 Sec. 176. Section 155A.3, subsection 35, Code 2005, is
79 34 amended to read as follows:
79 35 35. "Proprietary medicine" or "over-the-counter medicine"
80 1 means a nonnarcotic drug or device that may be sold without a
80 2 prescription and that is labeled and packaged in compliance
80 3 with applicable state or federal law.
80 4 Sec. 177. Section 155A.3, subsection 38, Code 2005, is
80 5 amended to read as follows:
80 6 38. "Wholesaler" means a person operating or maintaining,
80 7 either within or outside this state, a manufacturing plant,
80 8 wholesale distribution center, wholesale business, or any
80 9 other business in which prescription drugs or devices,
80 10 medicinal chemicals, medicines, or poisons are sold,
80 11 manufactured, compounded, dispensed, stocked, exposed,
80 12 distributed from, or offered for sale at wholesale in this
80 13 state. "Wholesaler" does not include those wholesalers who
80 14 sell only proprietary or over-the-counter medicines.
80 15 "Wholesaler" also does not include a commercial carrier that
80 16 temporarily stores prescription drugs or devices, medicinal
80 17 chemicals, medicines, or poisons while in transit.
80 18 Sec. 178. Section 155A.4, subsection 2, paragraph a, Code
80 19 2005, is amended to read as follows:
80 20 a. A ~~manufacturer or~~ wholesaler to distribute prescription
80 21 drugs or devices as provided by state or federal law.
80 22 Sec. 179. Section 155A.13, subsection 6, unnumbered
80 23 paragraph 1, Code 2005, is amended to read as follows:
80 24 To qualify for a pharmacy license, the applicant shall
80 25 submit to the board a license fee as determined by the board
80 26 and a completed application on a form prescribed by the board
80 27 ~~that shall include the following information and.~~ The
80 28 application shall include the following and such other
80 29 information as required by rules of the board and shall be
80 30 given under oath:
80 31 Sec. 180. Section 155A.17, subsection 2, Code 2005, is
80 32 amended to read as follows:
80 33 2. The board shall establish standards for drug wholesaler
80 34 licensure and may define specific types of wholesaler
80 35 licenses. The board may deny, suspend, or revoke a drug
81 1 wholesale license for failure to meet the applicable standards
81 2 or for a violation of the laws of this state, another state,
81 3 or the United States relating to prescription drugs, devices,
81 4 or controlled substances, or for a violation of this chapter,
81 5 chapter 124, 124A, 124B, 126, or 205, or a rule of the board.
81 6 Sec. 181. Section 155A.17, subsection 3, Code 2005, is
81 7 amended to read as follows:
81 8 3. The board shall adopt rules pursuant to chapter 17A on
81 9 matters pertaining to the issuance of a wholesale drug
81 10 license. The rules shall provide for conditions of licensure,
81 11 compliance standards, licensure fees, disciplinary action, and
81 12 other relevant matters. Additionally, the rules shall
81 13 establish provisions or exceptions for pharmacies, chain
81 14 pharmacy distribution centers, logistics providers, and other
81 15 types of wholesalers relating to pedigree requirements, drug
81 16 or device returns, and other related matters, so as not to
81 17 prevent or interfere with usual, customary, and necessary
81 18 business activities.
81 19 Sec. 182. Section 155A.19, subsection 1, paragraph f, Code
81 20 2005, is amended by striking the paragraph and inserting in
81 21 lieu thereof the following:
81 22 f. Change of legal name or doing-business-as name.
81 23 Sec. 183. Section 155A.19, Code 2005, is amended by adding
81 24 the following new subsection:
81 25 NEW SUBSECTION. 3. A wholesaler shall report in writing
81 26 to the board, pursuant to its rules, the following:
81 27 a. Permanent closing or discontinuation of wholesale
81 28 distributions into this state.
81 29 b. Change of ownership.

81 30 c. Change of location.
81 31 d. Change of the wholesaler's responsible individual.
81 32 e. Change of legal name or doing-business-as name.
81 33 f. Theft or significant loss of any controlled substance
81 34 on discovery of the theft or loss.
81 35 g. Disasters, accidents, and emergencies that may affect
82 1 the strength, purity, or labeling of drugs, medications,
82 2 devices, or other materials used in the diagnosis or the
82 3 treatment of injury, illness, and disease.
82 4 h. Other information or activities as required by rule.
82 5 Sec. 184. Section 155A.20, subsection 1, Code 2005, is
82 6 amended to read as follows:
82 7 1. A person, other than a pharmacy or wholesaler licensed
82 8 under this chapter, shall not display in or on any store,
82 9 internet site, or place of business, nor use in any
82 10 advertising or promotional literature, communication, or
82 11 representation, the word or words: "apothecary", "drug",
82 12 "drug store", or "pharmacy", either in English or any other
82 13 language, any other word or combination of words of the same
82 14 or similar meaning, or any graphic representation in a manner
82 15 that would mislead the public unless it is a pharmacy or drug
82 16 wholesaler licensed under this chapter.
82 17 Sec. 185. Section 155A.21, Code 2005, is amended to read
82 18 as follows:
82 19 155A.21 UNLAWFUL POSSESSION OF PRESCRIPTION DRUG OR DEVICE
82 20 == PENALTY.
82 21 1. A person found in possession of a drug or device
82 22 limited to dispensation by prescription, unless the drug or
82 23 device was so lawfully dispensed, commits a serious
82 24 misdemeanor.
82 25 2. Subsection 1 does not apply to a licensed pharmacy,
82 26 licensed wholesaler, physician, veterinarian, dentist,
82 27 podiatric physician, therapeutically certified optometrist,
82 28 advanced registered nurse practitioner, physician assistant, a
82 29 nurse acting under the direction of a physician, or the board
82 30 of pharmacy examiners, its officers, agents, inspectors, and
82 31 representatives, nor to a common carrier, manufacturer's
82 32 representative, or messenger when transporting the drug or
82 33 device in the same unbroken package in which the drug or
82 34 device was delivered to that person for transportation.
82 35 Sec. 186. Section 155A.23, Code 2005, is amended to read
83 1 as follows:
83 2 155A.23 PROHIBITED ACTS.
83 3 A person shall not perform or cause the performance of or
83 4 aid and abet any of the following acts:
83 5 1. Obtain or attempt Obtaining or attempting to obtain a
83 6 prescription drug or device or procure or attempt procuring or
83 7 attempting to procure the administration of a prescription
83 8 drug or device by:
83 9 a. Fraud Engaging in fraud, deceit, misrepresentation, or
83 10 subterfuge.
83 11 b. Forgery or alteration of Forging or altering a written,
83 12 electronic, or facsimile prescription or of any written,
83 13 electronic, or facsimile order.
83 14 c. Concealment of Concealing a material fact.
83 15 d. Use of Using a false name or the giving of a false
83 16 address.
83 17 2. Willfully make making a false statement in any
83 18 prescription, report, or record required by this chapter.
83 19 3. For the purpose of obtaining a prescription drug or
83 20 device, falsely assume assuming the title of or claim claiming
83 21 to be a manufacturer, wholesaler, pharmacist, pharmacy owner,
83 22 physician, dentist, podiatric physician, veterinarian, or
83 23 other authorized person.
83 24 4. Make or utter Making or uttering any false or forged
83 25 oral, written, electronic, or facsimile prescription or oral,
83 26 written, electronic, or facsimile order.
83 27 5. Affix any false or forged label to a package or
83 28 receptacle containing prescription drugs Forging,
83 29 counterfeiting, simulating, or falsely representing any drug
83 30 or device without the authority of the manufacturer, or using
83 31 any mark, stamp, tag, label, or other identification device
83 32 without the authorization of the manufacturer.
83 33 6. Manufacturing, repackaging, selling, delivering, or
83 34 holding or offering for sale any drug or device that is
83 35 adulterated, misbranded, counterfeit, suspected of being
84 1 counterfeit, or that has otherwise been rendered unfit for
84 2 distribution.
84 3 7. Adulterating, misbranding, or counterfeiting any drug
84 4 or device.
84 5 8. Receiving any drug or device that is adulterated,

~~84 6 misbranded, stolen, obtained by fraud or deceit, counterfeit,~~
~~84 7 or suspected of being counterfeit, and delivering or~~
~~84 8 proffering delivery of such drug or device for pay or~~
~~84 9 otherwise.~~
~~84 10 9. Adulterating, mutilating, destroying, obliterating, or~~
~~84 11 removing the whole or any part of the labeling of a drug or~~
~~84 12 device or committing any other act with respect to a drug or~~
~~84 13 device that results in the drug or device being misbranded.~~
~~84 14 10. Purchasing or receiving a drug or device from a person~~
~~84 15 who is not licensed to distribute the drug or device to that~~
~~84 16 purchaser or recipient.~~
~~84 17 11. Selling or transferring a drug or device to a person~~
~~84 18 who is not authorized under the law of the jurisdiction in~~
~~84 19 which the person receives the drug or device to purchase or~~
~~84 20 possess the drug or device from the person selling or~~
~~84 21 transferring the drug or device.~~
~~84 22 12. Failing to maintain or provide records as required by~~
~~84 23 this chapter, chapter 124, or rules of the board.~~
~~84 24 13. Providing the board or any of its representatives or~~
~~84 25 any state or federal official with false or fraudulent records~~
~~84 26 or making false or fraudulent statements regarding any matter~~
~~84 27 within the scope of this chapter, chapter 124, or rules of the~~
~~84 28 board.~~
~~84 29 14. Distributing at wholesale any drug or device that~~
~~84 30 meets any of the following conditions:~~
~~84 31 a. The drug or device was purchased by a public or private~~
~~84 32 hospital or other health care entity.~~
~~84 33 b. The drug or device was donated or supplied at a reduced~~
~~84 34 price to a charitable organization.~~
~~84 35 c. The drug or device was purchased from a person not~~
~~85 1 licensed to distribute the drug or device.~~
~~85 2 d. The drug or device was stolen or obtained by fraud or~~
~~85 3 deceit.~~
~~85 4 15. Failing to obtain a license or operating without a~~
~~85 5 valid license when a license is required pursuant to this~~
~~85 6 chapter or chapter 147.~~
~~85 7 16. Engaging in misrepresentation or fraud in the~~
~~85 8 distribution of a drug or device.~~
~~85 9 17. Distributing a drug or device to a patient without a~~
~~85 10 prescription drug order or medication order from a~~
~~85 11 practitioner licensed by law to use or prescribe the drug or~~
~~85 12 device.~~
~~85 13 18. Distributing a drug or device that was previously~~
~~85 14 dispensed by a pharmacy or distributed by a practitioner~~
~~85 15 except as provided by rules of the board.~~
~~85 16 19. Failing to report any prohibited act.~~
~~85 17 Information communicated to a physician in an unlawful~~
~~85 18 effort to procure a prescription drug or device or to procure~~
~~85 19 the administration of a prescription drug shall not be deemed~~
~~85 20 a privileged communication.~~
~~85 21 Subsections 6 and 7 shall not apply to the wholesale~~
~~85 22 distribution by a manufacturer of a prescription drug or~~
~~85 23 device that has been delivered into commerce pursuant to an~~
~~85 24 application approved by the federal food and drug~~
~~85 25 administration.~~
~~85 26 Sec. 187. Section 155A.24, Code 2005, is amended to read~~
~~85 27 as follows:~~
~~85 28 155A.24 PENALTIES.~~
~~85 29 1. Except as otherwise provided in this section, a~~
~~85 30 person who violates a provision of section 155A.23 or who~~
~~85 31 sells or offers for sale, gives away, or administers to~~
~~85 32 another person any prescription drug or device in violation of~~
~~85 33 this chapter commits a public offense and shall be punished as~~
~~85 34 follows:~~
~~85 35 a. If the prescription drug is a controlled substance, the~~
~~86 1 person shall be punished pursuant to ~~section 124.401,~~~~
~~~~86 2 subsection 1, and section 124.411~~ chapter 124, division IV.~~  
~~86 3 b. If the prescription drug is not a controlled substance,~~  
~~86 4 the person, upon conviction of a first offense, is guilty of a~~  
~~86 5 serious misdemeanor. For a second offense, or if in case of a~~  
~~86 6 first offense the offender previously has been convicted of~~  
~~86 7 any violation of the laws of the United States or of any~~  
~~86 8 state, territory, or district thereof relating to prescription~~  
~~86 9 drugs or devices, the offender is guilty of an aggravated~~  
~~86 10 misdemeanor. For a third or subsequent offense or if in the~~  
~~86 11 case of a second offense the offender previously has been~~  
~~86 12 convicted two or more times in the aggregate of any violation~~  
~~86 13 of the laws of the United States or of any state, territory,~~  
~~86 14 or district thereof relating to prescription drugs or devices,~~  
~~86 15 the offender is guilty of a class "D" felony.~~  
~~86 16 2. A person who violates any provision of this chapter by~~

86 17 selling, giving away, or administering any prescription drug  
86 18 or device to a minor is guilty of a class "C" felony.

86 19 3. A wholesaler who, with intent to defraud or deceive,  
86 20 fails to deliver to another person, when required by rules of  
86 21 the board, complete and accurate pedigree concerning a drug  
86 22 prior to transferring the drug to another person is guilty of  
86 23 a class "C" felony.

86 24 4. A wholesaler who, with intent to defraud or deceive,  
86 25 fails to acquire, when required by rules of the board,  
86 26 complete and accurate pedigree concerning a drug prior to  
86 27 obtaining the drug from another person is guilty of a class  
86 28 "C" felony.

86 29 5. A wholesaler who knowingly destroys, alters, conceals,  
86 30 or fails to maintain, as required by rules of the board,  
86 31 complete and accurate pedigree concerning any drug in the  
86 32 person's possession is guilty of a class "C" felony.

86 33 6. A wholesaler who is in possession of pedigree documents  
86 34 required by rules of the board, and who knowingly fails to  
86 35 authenticate the matters contained in the documents as  
87 1 required, and who nevertheless distributes or attempts to  
87 2 further distribute drugs is guilty of a class "C" felony.

87 3 7. A wholesaler who, with intent to defraud or deceive,  
87 4 falsely swears or certifies that the person has authenticated  
87 5 any documents related to the wholesale distribution of drugs  
87 6 or devices is guilty of a class "C" felony.

87 7 8. A wholesaler who knowingly forges, counterfeits, or  
87 8 falsely creates any pedigree, who falsely represents any  
87 9 factual matter contained in any pedigree, or who knowingly  
87 10 omits to record material information required to be recorded  
87 11 in a pedigree is guilty of a class "C" felony.

87 12 9. A wholesaler who knowingly purchases or receives drugs  
87 13 or devices from a person not authorized to distribute drugs or  
87 14 devices in wholesale distribution is guilty of a class "C"  
87 15 felony.

87 16 10. A wholesaler who knowingly sells, barterers, brokers, or  
87 17 transfers a drug or device to a person not authorized to  
87 18 purchase the drug or device under the jurisdiction in which  
87 19 the person receives the drug or device in a wholesale  
87 20 distribution is guilty of a class "C" felony.

87 21 11. A person who knowingly manufactures, sells, or  
87 22 delivers, or who possesses with intent to sell or deliver, a  
87 23 counterfeit, misbranded, or adulterated drug or device is  
87 24 guilty of the following:

87 25 a. If the person manufactures or produces a counterfeit,  
87 26 misbranded, or adulterated drug or device; or if the quantity  
87 27 of a counterfeit, misbranded, or adulterated drug or device  
87 28 being sold, delivered, or possessed with intent to sell or  
87 29 deliver exceeds one thousand units or dosages; or if the  
87 30 violation is a third or subsequent violation of this  
87 31 subsection, the person is guilty of a class "C" felony.

87 32 b. If the quantity of a counterfeit, misbranded, or  
87 33 adulterated drug or device being sold, delivered, or possessed  
87 34 with intent to sell or deliver exceeds one hundred units or  
87 35 dosages but does not exceed one thousand units or dosages; or  
88 1 if the violation is a second or subsequent violation of this  
88 2 subsection, the person is guilty of a class "D" felony.

88 3 c. All other violations of this subsection shall  
88 4 constitute an aggravated misdemeanor.

88 5 12. A person who knowingly forges, counterfeits, or  
88 6 falsely creates any label for a drug or device or who falsely  
88 7 represents any factual matter contained on any label of a drug  
88 8 or device is guilty of a class "C" felony.

88 9 13. A person who knowingly possesses, purchases, or brings  
88 10 into the state a counterfeit, misbranded, or adulterated drug  
88 11 or device is guilty of the following:

88 12 a. If the quantity of a counterfeit, misbranded, or  
88 13 adulterated drug or device being possessed, purchased, or  
88 14 brought into the state exceeds one hundred units or dosages;  
88 15 or if the violation is a second or subsequent violation of  
88 16 this subsection, the person is guilty of a class "D" felony.

88 17 b. All other violations of this subsection shall  
88 18 constitute an aggravated misdemeanor.

88 19 14. This section does not prevent a licensed practitioner  
88 20 of medicine, dentistry, podiatry, nursing, veterinary  
88 21 medicine, optometry, or pharmacy from acts necessary in the  
88 22 ethical and legal performance of the practitioner's  
88 23 profession.

88 24 15. Subsections 1 and 2 shall not apply to a parent or  
88 25 legal guardian administering, in good faith, a prescription  
88 26 drug or device to a child of the parent or a child for whom  
88 27 the individual is designated a legal guardian.

88 28 Sec. 188. NEW SECTION. 155A.40 CRIMINAL HISTORY RECORD  
88 29 CHECKS.

88 30 1. The board may request and obtain, notwithstanding  
88 31 section 692.2, subsection 5, criminal history data for any  
88 32 applicant for an initial or renewal license or registration  
88 33 issued pursuant to this chapter or chapter 147, any applicant  
88 34 for reinstatement of a license or registration issued pursuant  
88 35 to this chapter or chapter 147, or any licensee or registrant  
89 1 who is being monitored as a result of a board order or  
89 2 agreement resolving an administrative disciplinary action, for  
89 3 the purpose of evaluating the applicant's, licensee's, or  
89 4 registrant's eligibility for licensure, registration, or  
89 5 suitability for continued practice of the profession.  
89 6 Criminal history data may be requested for all owners,  
89 7 managers, and principal employees of a pharmacy or drug  
89 8 wholesaler licensed pursuant to this chapter. The board shall  
89 9 adopt rules pursuant to chapter 17A to implement this section.  
89 10 The board shall inform the applicant, licensee, or registrant  
89 11 of the criminal history requirement and obtain a signed waiver  
89 12 from the applicant, licensee, or registrant prior to  
89 13 submitting a criminal history data request.

89 14 2. A request for criminal history data shall be submitted  
89 15 to the department of public safety, division of criminal  
89 16 investigation and bureau of identification, pursuant to  
89 17 section 692.2, subsection 1. The board may also require such  
89 18 applicants, licensees, and registrants to provide a full set  
89 19 of fingerprints, in a form and manner prescribed by the board.  
89 20 Such fingerprints may be submitted to the federal bureau of  
89 21 investigation through the state criminal history repository  
89 22 for a national criminal history check. The board may  
89 23 authorize alternate methods or sources for obtaining criminal  
89 24 history record information. The board may, in addition to any  
89 25 other fees, charge and collect such amounts as may be incurred  
89 26 by the board, the department of public safety, or the federal  
89 27 bureau of investigation in obtaining criminal history  
89 28 information. Amounts collected shall be considered repayment  
89 29 receipts as defined in section 8.2.

89 30 3. Criminal history information relating to an applicant,  
89 31 licensee, or registrant obtained by the board pursuant to this  
89 32 section is confidential. The board may, however, use such  
89 33 information in a license or registration denial proceeding.  
89 34 In a disciplinary proceeding, such information shall  
89 35 constitute investigative information under section 272C.6,  
90 1 subsection 4, and may be used only for purposes consistent  
90 2 with that section.

90 3 4. This section shall not apply to a manufacturer of a  
90 4 prescription drug or device that has been delivered into  
90 5 commerce pursuant to an application approved by the federal  
90 6 food and drug administration.

90 7 Sec. 189. NEW SECTION. 155A.41 CONTINUOUS QUALITY  
90 8 IMPROVEMENT PROGRAM.

90 9 1. Each licensed pharmacy shall implement or participate  
90 10 in a continuous quality improvement program to review pharmacy  
90 11 procedures in order to identify methods for addressing  
90 12 pharmacy medication errors and for improving patient use of  
90 13 medications and patient care services. Under the program,  
90 14 each pharmacy shall assess its practices and identify areas  
90 15 for quality improvement.

90 16 2. The board shall adopt rules for the administration of a  
90 17 continuous quality improvement program. The rules shall  
90 18 address all of the following:

- 90 19 a. Program requirements and procedures.  
90 20 b. Program record and reporting requirements.  
90 21 c. Any other provisions necessary for the administration  
90 22 of a program.

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CHRISTOPHER C. RANTS  
Speaker of the House

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JOHN P. KIBBIE  
President of the Senate

90 34 I hereby certify that this bill originated in the House and  
90 35 is known as House File 882, Eighty-first General Assembly.

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MARGARET THOMSON  
Chief Clerk of the House

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91 6 Approved \_\_\_\_\_, 2005  
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91 10 THOMAS J. VILSACK  
91 11 Governor  
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